SHRI KESHAV CEMENTS & INFRA LIMITED

Our Company was incorporated as a public limited company under the Companies Act, 1956, at Belagavi, as Katwa Udyog Limited. Our Company was granted a certificate of incorporation and certificate of commencement of business dated March 17, 1993 and July 19, 1993, respectively, by the Registrar of Companies, Karnataka. Thereafter, the name of our Company was changed to Shri Keshav Cements & Infra Limited and a fresh certificate of incorporation, consequent upon change of name, was issued by the Registar of Companies on November 07, 2007. For further details, please see section "History and Other Corporate Matters" on page 103 of this Draft Letter of Offer.

Registered and Corporate Office: Jyoti Tower, 215/2, 6th Cross Nazar Camp
Karbhar Galli, Madhavpur Vadgaon, Belagavi, Karnataka - 590005, India
Corporate Identification Number: L26941KA1993PLC014104,
Contact Person: Mr. Santhosh Shadadal, Company Secretary and Compliance Officer
Tel: 0831–2484412 /2483510; **Fax**: 0831- 2484421; **E-mail:**info@keshavcement.com; **Website:**www.keshavcement.com

PROMOTERS OF THE COMPANY: MR. H.D. KATWA, MR. VENKATESH H. KATWA, MR. VILAS H. KATWA AND MR. DEEPAK H. KATWA

FOR PRIVATE CIRCULATION TO ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY ONLY

ISSUE OF UP TO [●] EQUITY SHARES WITH A FACE VALUE OF ₹ 10 EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING PREMIUM OF ₹ [●] PER EQUITY SHARE) ("RIGHTS EQUITY SHARE") FOR AN AMOUNT AGGREGATING UPTO ₹ 3,500 LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF SHRI KESHAV CEMENTS & INFRA LIMITED ("THE COMPANY" OR THE "ISSUER") IN THE RATIO OF [●] EQUITY SHARE FOR EVERY [●] FULLY PAID-UP EQUITY SHARE(S) (I.E., [●]) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●], 2018 (THE "ISSUE").

THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF ₹ 10/- EACH.

FOR FURTHER DETAILS, PLEASE SEE "TERMS OF THE ISSUE" ON PAGE 220 OF THIS DRAFT LETTER OF OFFER

GENERAL RISK

Investment 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 our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by Securities and Exchange Board of India (the "SEBI") nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. **Investors are advised to refer to the "Risk Factors" on page 14 of this Draft Letter of Offer before making an investment in the Issue.**

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing equity shares of our Company are listed on BSE Ltd. ("BSE"). We have received "in-principle" approval from BSE for listing the equity shares arising from the Issue vide its letter dated [●]. For the purposes of the Rights Issue, the Designated Stock Exchange is BSE.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
KEYNOTE	BSS
Keynote Corporate Services Limited The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (W) Mumbai – 400028 **Tel:** +91–22– 3026 6000-3 **Fax:** +91–22– 3026 6088 **E-mail:** mbd@keynoteindia.net **Website:** www.keynoteindia.net **Contact Person:** Ms. Pooja Sanghvi / Mr. Amlan Mahajan **SEBI Registration No.:** INM 000003606	**BIGSHARE SERVICES PRIVATE LIMITED** 1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road Marol, Andheri (East) Mumbai 400 059 **Tel:** +91 22 6263 8200 **Fax:** +91 22 6263 8299 **Email:** ipo@bigshareonline.com **Investor grievance email:** investor@bigshareonline.com **Contact Person:** Ashok Shetty **Website:** www.bigshareonline.com **SEBI Registration Number:** INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR REQUEST FOR SPLIT APPLICATION FORMS	ISSUE CLOSES ON
[●]	[●]	[●]

TABLE OF CONTENTS

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Definitions

In this Draft Letter of Offer, unless the context otherwise requires, the terms defined and abbreviations expanded herein below shall have the same meaning as stated in this section.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to "Shri Keshav Cements & Infra Limited", the/our "Company", "we", "our", "us" or similar terms are to Shri Keshav Cements & Infra Limited or, as the context requires, and references to "you" are to the equity shareholders and/ or prospective investors in the Equity Shares

Conventional/ General Terms

Term	Description
Companies Act	The Companies Act, 2013 and Rules issued there under, as amended and includes The Companies Act, 1956, which has been repealed and replaced by the new Companies Act
Depositories Act	The Depositories Act, 1996 and amendments thereto
EPS	Earnings per share
IT Act	The Income Tax Act, 1961 and amendments thereto
Indian GAAP	Generally Accepted Accounting Principles In India
Insider Regulation/PIT	SEBI (Probihition of Insider Trading) Regulation 1992 and 2015
NAV	Net Asset Value per share
PAT	Profit after tax
RONW	Return on Net Worth
SEBI Regulations/ SEBI ICDR Regulations	The SEBI(Issue of Capital and Disclosure Requirements) regulations, 2009 and amendments thereto
SEBI Listing Regulations/LODR	SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015
Securities Act	United states securities act of 1933, as amended.
SEBI Act, 1992	Securities and Exchange Board of India Act, 1992 and amendments thereto
Takeover Code/ Regulations/SAST	SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
Wealth Tax Act	The Wealth Tax Act, 1957 and amendments thereto.

Issue related terms

Term	Description
Abridged Letter of Offer	The abridged letter of offer to be sent to the Equity Shareholders as on the Record Date with respect to this Issue in accordance with SEBI Regulations
Allotment	Unless the context requires, the allotment of Equity Shares pursuant to the Issue
Allottees	Persons to whom Equity Shares are issued pursuant to the Issue
Application Supported by Blocked Amount ASBA	Application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in a specified bank account maintained with the SCSB.
ASBA Account	Account maintained with a SCSB which will be blocked by such SCSB to the extent of the appropriate amount in relation to an application by an ASBA Investor
ASBA Investor	Eligible Equity Shareholders proposing to subscribe to the Issue through ASBA process and

Term	Description
	who: 1. are holding the Equity Shares of our Company in dematerialized form as on the Record Date and have applied for their Rights Entitlements and/or additional Equity Shares in dematerialized form; 2. have not renounced their Rights Entitlements in full or in part; 3. are not Renouncees; and 4. are applying through blocking of funds in a bank account maintained with the SCSBs. QIBs, Non-Institutional Investors and Investors whose Application Money exceeds ₹ 2,00,000 can participate in the Issue only through the ASBA process.
Bankers to the Company	Syndicate Bank, Saraswat Co-operative Bank Limited
Bankers to the Issue	[●]
Composite Application Form / CAF/ Application Form/ Application	The form used by an Investor to make an application for the Allotment of Equity Shares in the Issue
Consolidated Certificate	In case of holding of Equity Shares in physical form, the certificate that our Company would issue for the Equity Shares Allotted to one folio.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/pmd/scsb.html
Designated Stock Exchange	BSE Limited or BSE
Draft Letter of Offer/ DLOF	The Draft Letter of Offer dated September 28, 2018 filed with SEBI for its observations.
Equity Share(s) or Share(s)	Equity shares of our Company having a face value of ₹ 10 each unless otherwise specified in the context thereof
Equity Shareholder / Shareholder	A holder of Equity Shares of our Company
Financial Year/ Fiscal/ Fiscal Year/ FY	Any period of twelve months ended March 31of that particular year, unless otherwise stated.
Issue/ Rights Issue	Issue of [●] Equity Shares with a face value of ₹10 each at a premium of [●] per Equity Share for an amount aggregating upto ₹ 3,500 lakhs on a rights basis to the existing Equity Shareholders in the ratio of [●] Equity Share for every [●] fully paid-up Equity Share(s) held (i.e., [●]) by the existing Equity Shareholders on the Record Date.
Investor(S)	Equity Shareholders as on Record Date and/or Renounces applying in the Issue.
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Price	₹ [●] Per Equity Share.
Issue Proceeds	The proceeds of the Issue that are available to our Company.
Issue Size	The issue of [●] Equity Shares for an amount aggregating ₹ 3,500 lakhs
Lead Manager/ LM	Keynote Corporate Services Limited
Letter of Offer	The final letter of offer to be filed with the Stock Exchange after incorporating the observations received from the SEBI on the Draft Letter of Offer
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchange
Non-Institutional Investors	All Investors including sub-accounts of FIIs/ FPIs registered with SEBI, which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity

Term	Description
	Shares for a cumulative amount more than ₹ 2,00,000
Promoter	The Promoters of our Company
Promoter Group	Unless the context requires otherwise, the entities forming part of the promoter group in accordance with the SEBI Regulations and which are disclosed by our Company to the Stock Exchange from time to time.
Offer Document	Means Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
Record Date	Designated date for the purpose of determining the Shareholders eligible to apply for Rights Equity Shares in the Issue, that is [●]
Refund through electronic transfer of funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable
Registrar of Companies/ RoC	The Registrar of Companies, Karnataka, E Wing, 2nd Floor, Kendriya Sadan, Kormangala, Bengaluru, Karnataka 560034
Registrar to the Issue	Bigshare Services Private Limited
Renouncees	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation
Retail Individual Investor	Individual Investors who have applied for Equity Shares for an amount not more than ₹ 2,00,000 lakhs (including HUFs applying through their Karta)
Rights Entitlement	The number of Equity Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date
RTGS	Real Time Gross Settlement
SAF(s)	Split Application Form(s)
SCSB(s)	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in

Company Related and Industry Related Terms

Term	Description
Articles/ Articles Association/ AoA	The articles of association of our Company, as amended
Statutory Auditors	The statutory auditors of our Company, Singhi & Co, Chartered Accountants
Board/ Board of Directors	Board of Directors of our Company including any committees thereof.
BIFR	Board for Industrial and Financial Reconstruction
Directors / our Directors	The Director(s) on the Board of our Company, unless otherwise specified
Equity Shares	Equity share of our Company of face value ₹ 10 each
Memorandum/Memorandum of Association/ MOA/ MoA	The memorandum of association of our Company, as amended
NOC	No Objection Certificate
Promoter	The Promoter of our Company viz. Mr. H.D. Katwa, Mr. Venkatesh H. Katwa, Mr. Vilas H. Katwa and Mr. DeepakH. Katwa.
Registered Office	Jyoti Tower, 215/2, 6thCross Nazar Camp, Karbhar Galli, Madhavpur Vadgaon, Belagavi, Karnataka - 590 005, India
"Shri Keshav"/ "Company"/ "Issuer"/	Unless the context otherwise requires, refers to, Shri Keshav

Term	Description
we/us/our	Cements & Infra Limited, a public limited company under the Companies Act, 1956 and will include our Subsidiary

Abbreviations

Term	Description
ADR	American Depository Receipt
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CRAR	Capital to Risky Asset Ratio
CSR	Corporate Social Responsibility
DIN	Director Identification Number
DISCOM	Distribution Companies of India
DLOF	Draft Letter of Offer
DR	Depository Receipts
EGM	Extraordinary General Meeting
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws.
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors
GDR	Global Depository Receipt
GESCOM	Gulbarga Electricity supply Company
GNPA	Gross Net Performing Assets
GST	Goods and Services Tax
HESCOM	Hubli Electricity Supply Company
HUF	Hindu Undivided Family
ICD	Inter Corporate Deposits
ICL	Inter Corporate Loans
IndAS	Indian Accounting Standards
ISIN	International Securities Identification Number
IT	Information Technology
JV	Joint Venture
KPTCL	Karnataka Power Transmission Company Limited
KSFC	Karnataka State Finance Corporation
Ltd./Ltd	Limited
MACT	Motor Accident Claims Tribunal
MW	Megawatt
MWH	Megawatt hour
NAV	Net Asset Value
NBFC	Non-Banking Finance Company
NNAP	Non-Performing Assets
NR	Non Resident
NRI(s)	Non Resident Indian(s)
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Body
O&M	Opression and Management
PAN	Permanent Account Number
PBT	Profit Before Tax

Term	Description
PT	Professional Tax
PVT/Pvt.	Private
SFC Act	State Financial Corporation Act, 1951
RBI	Reserve Bank of India
Regulation S	Regulation S of the U.S. Securities Act of 1933, as amended
Re./Rupees/INR/	Indian Rupees
SCORES	SEBI Complaints Redress System
SEBI	Securities and Exchange Board of India
Stock Exchange	BSE Ltd.
STT	Securities Transaction Tax
TP Act	The Transfer of Property Act, 1882
VAT	Value Added Tax

NOTICE TO OVERSEAS SHAREHOLDERS

The distribution of this Draft Letter of Offer and the issue of the Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer may come are required to inform themselves about, and observe, such restrictions. Our Company is making this Issue on a rights basis to the Equity Shareholders of our Company and will dispatch the Draft Letter of Offer/Abridged Draft Letter of Offer and CAF to Eligible Equity Shareholders who have an Indian address. Those overseas Shareholders who do not update the records with their Indian address, prior to the date on which we propose to dispatch the Abridged Draft Letter of Offer / Draft Letter of Offer and the CAF, shall not be sent the Abridged Draft Letter of Offer / Draft Letter of Offer and the CAF.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer was filed with SEBI for its observations. Accordingly, the Rights Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of the Draft Letter of Offer/Abridged Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Draft Letter of Offer must be treated as sent for information only and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer/Abridged Draft Letter of Offer should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute in or send the same into the United States or any other jurisdiction where to do so would or might be a contravention of local securities laws or regulations. If the Draft Letter of Offer / Abridged Draft Letter of Offer are received by any person in any such territory, or by their agent or nominee, they must not seek to subscribe to the Rights Shares or the Rights Entitlements referred to in this Draft Letter of Offer. A Shareholder may not renounce his entitlement to any person resident in the United States or any other jurisdiction where to do so would or might be a contravention of local securities laws or regulations. Neither the delivery of the Draft Letter of Offer/Abridged Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to this date.

The contents of the Draft Letter of Offer should not be construed as legal, tax or investment advice. Prospective Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Shares or Rights Entitlements. As a result, each Investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Shares or Rights Entitlements. In addition, neither our Company nor the Lead Manager is making any representation to any offeree or purchaser of the Rights Shares or Rights Entitlements regarding the legality of an investment in the Rights Shares or Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

EUROPEAN ECONOMIC AREA RESTRICTIONS

This Draft Letter of Offer has been prepared on the basis that all offers of Rights Entitlements and Equity Shares on a rights basis in the Issue will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the European Economic Area ("EEA"), from the requirement to produce a prospectus. The expression "Prospectus Directive" means Directive 2003/71/EC of the European Parliament and Council EC (and any amendment thereto, including Directive 2010/73/EU, to the extent implemented in each relevant European Economic Area Member State) and any relevant implementing measure in each relevant European Economic Area Member State. Accordingly, any person making or intending to make an offer within the EEA of Rights Entitlements and Equity Shares which are the subject of the offering contemplated in this Draft Letter of Offer should only do so in circumstances in which no obligation arises for our Company or the Lead Manager to produce a prospectus for such offer. Our Company and the Lead Manager have not authorized, nor do they authorize, the making of any offer of the Rights Entitlements and Equity Shares through any financial intermediary.

UNITED KINGDOM RESTRICTIONS

This Draft Letter of Offer and any investment or investment activity to which this document relates is directed only at, available only to, and will be engaged in only with (i) persons who are outside the United Kingdom (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), (iii) persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order or (iv) or persons to whom it can otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). Persons who are not relevant persons should not take any action on the basis of this document and should not act or rely on it or any of its contents.

NO OFFER IN THE UNITED STATES

The Rights Shares or Rights Entitlements have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Draft Letter of Offer and the CAF. Any representation to the contrary is a criminal offence in the United States.

The rights and securities of our Company, including the Rights Shares have not been and will not be registered under the United States Securities Act, 1933, as amended (Securities Act), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (United States or U.S.) or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (Regulation S), except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in this Draft Letter of Offer are being offered in India, but not in the United States. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights. Accordingly, the Draft Letter of Offer / Abridged Draft Letter of Offer and the CAF should not be forwarded to or transmitted in or into the United States at any time. Neither our Company nor the Lead Manager nor any person acting on their behalf will accept subscriptions from any person or his agent, if to whom an offer is made, would require registration of this Draft Letter of Offer with the United States Securities and Exchange Commission. Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is, either a U.S. person (as defined in Regulation S) or otherwise in the United States when the buy order is made. Envelopes containing CAF should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer, and all persons subscribing for the Rights Shares and wishing to hold such Rights Shares in registered form must provide an address for registration of the Rights Shares in India. Our Company is making this issue of Rights Shares on a rights basis to the Equity Shareholders of our Company and the Draft Letter of Offer/Abridged Draft Letter of Offer and CAF will be dispatched to Equity Shareholders who have an Indian address. Any person who acquires rights and the Rights Shares will be deemed to have declared, represented, warranted and agreed, (i) that it is not and that at the time of subscribing for the Rights Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made, (ii) it is not a U.S. person (as defined in Regulation S), and does not have a registered address (and is not otherwise located) in the United States, and (iii) is authorized to acquire the rights and the Rights Shares in compliance with all applicable laws and regulations.

OUR COMPANY RESERVES THE RIGHT TO TREAT AS INVALID ANY CAF WHICH: (I) DOES NOT INCLUDE THE CERTIFICATION SET OUT IN THE CAF TO THE EFFECT THAT THE SUBSCRIBER IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S)\, AND DOES NOT HAVE A REGISTERED ADDRESS (AND IS NOT OTHERWISE LOCATED) IN THE UNITED STATES AND IS AUTHORIZED TO ACQUIRE THE RIGHTS AND THE RIGHTS SHARES IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS; (II) APPEARS TO OUR COMPANY OR ITS AGENTS TO HAVE BEEN EXECUTED IN OR

DISPATCHED FROM THE UNITED STATES; (III) WHERE A REGISTERED INDIAN ADDRESS IS NOT PROVIDED; OR (IV) WHERE OUR COMPANY BELIEVES THAT CAF IS INCOMPLETE OR ACCEPTANCE OF SUCH CAF MAY INFRINGE APPLICABLE LEGAL OR REGULATORY REQUIREMENTS; AND OUR COMPANY SHALL NOT BE BOUND TO ALLOT OR ISSUE ANY RIGHTS SHARES OR RIGHTS ENTITLEMENT IN RESPECT OF ANY SUCH CAF.

PRESENTATION OF FINANCIAL INFORMATION, USE OF INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references herein to 'India' are to the Republic of India and its territories and possessions and the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable. Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions.

In this Draft Letter of Offer, references to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

Financial Data

The Ministry of Corporate Affairs, GoI pursuant to a notification dated February 16, 2015 set out the timelines for the implementation of Ind AS. Pursuant to the notification, we were required to prepare our financial statements in accordance with Ind AS from April 1, 2016, as required under Section 133 of the Companies Act, 2013 read with circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016.

Accordingly, our Company has prepared its financial statements in accordance with Ind AS with effect from April 1, 2016 (together with the financial statements for corresponding periods in previous years). For purposes of transition to Ind AS, we have followed the guidance prescribed under Ind AS 101 – First time adoption of Indian Accounting Standards ("Ind AS 101") with April 1, 2016 as the transition date. For all periods up to and including Fiscal 2018, we prepared our financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP").

Our Company's fiscal year commences on April 1 and ends on March 31 of the following calendar year. Accordingly, all references to a particular "financial year" or "fiscal year" or "Fiscal" are to the 12 (twelve) month period ended March 31 of that year

In this Draft Letter of Offer, we have elected to present restated financial information for Fiscal 2018 and Fiscal 2017, in accordance with Ind AS, and have not included our historical Indian GAAP financial statements. Our Restated Financial Statements included in this Draft Letter of Offer also include reconciliation statements of the Ind AS financial statements for Fiscal 2016 with our historical Indian GAAP financial statements for Fiscal 2016, explaining the impact of the transition from Indian GAAP to Ind AS on the preparation and presentation of our financial statements. For the purposes of preparing Restated Financial Statements, we have followed the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e., April 1, 2016.

All the numbers in this Draft Letter of Offer have been presented in lakhs or in whole numbers where the numbers have been too small to present in lakhs.

Any percentage amounts, as set forth in the section entitled *'Risk Factors'*, and the chapters entitled *'Our Business'* and *'Management Discussion and Analysis of Financial Conditions and Results of Operations'* beginning on respectively of this Draft Letter of Offer, unless otherwise indicated, have been calculated on the basis of the Restated Financial Information.

Market and Industry Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer have been obtained or derived from publicly available information as well as industry publications and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Although we believe that industry data used in this Draft Letter of Offer is reliable, it has not been independently verified and neither we, nor the Lead Manager nor any of their affiliates, jointly or severally, make any representation as to its accuracy or completeness. The extent to which the market and industry data used in this Draft Letter of Offer 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. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section "Risk Factors" on page 14.

Currency and Units of Presentation

All references to "Rupees" or "₹ " or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. Our Company has presented certain financial and other information in *'lakhs'* and '*crores*'. One lakh represents one hundred thousand (100,000) and one crore represents one hundred lakhs (1,00,00,000). Further, this Draft Letter of Offer contains references to tonnes or metric tonnes. A tonne or metric tonne represents one thousand kilogrammes (1,000 kg). Further, this Draft Letter of Offer contains references to Megawatt. A Megawatt represents ten lakhWatts (10,00,000 Watts)

FORWARD LOOKING STATEMENTS

Certain statements in this Draft Letter of Offer are not historical facts but are 'forward-looking' in nature. Forward looking statements appear throughout this Draft Letter of Offer, including, without limitation, under the section entitled "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Industry" and "Business". Our Company may, from time to time, make written or oral forward-looking statements in reports to Equity Shareholders and in other communications. Forward-looking statements include statements concerning our Company's plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company's competitive strengths and weaknesses, our Company's business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information.

Words such as "believe", "anticipate", "estimate", "seek", "expect", "continue", "intend", "predict", "project", "should", "goal", "future", "could", "may", "will", "would", "targets", "aims", "is likely to", "plan" and similar expressions, or variations of such expressions, are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.
All forward looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

These risks, uncertainties and other factors include, among others, those listed under the section entitled 'Risk Factors'. Prospective Investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited, to:

- **Our Company's ability to successfully implement its strategy and its growth and expansion plans;**
- **Our Company's ability to effectively respond to competition and technological changes;**
- **Our Company's ability to obtain financing on favourable terms;**
- **Regulatory changes pertaining to the industry in which our Company operates and its ability to respond to them;**
- **Increase in labour costs, raw materials prices, prices of plant & machineries and insurance premia;**
- **Changes in fiscal, economic or political conditions in India and other countries;**
- **Changes in laws and regulations that apply to companies in India;**
- **Changes in the value of the Indian rupee and other currencies;**
- **Performance of the Indian debt and equity markets; and**
- **Occurrence of natural calamities or natural disasters affecting the areas in which our Company has its operations.**

For a further discussion of factors that could cause our Company's actual results to differ, please see the section entitled 'Risk Factors' on page 14 of this Draft Letter of Offer. By their very 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. Neither our Company nor the Lead Manager nor any of their respective affiliates or advisors has 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 and Stock Exchange's requirements, our Company and the Lead Manager will ensure that Investors are informed of material developments until the time of the grant of listing and trading permission for the Rights Shares by the Stock Exchange.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in our Equity Shares. If any of the following risks actually materialises, 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. The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we do not, currently, believe to be material may also have an adverse effect on our business, results of operations and financial condition. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Investment in equity and equity related securities involves a degree of risk and Investors should not invest any funds in this Issue unless they can afford to take the risk of losing all or a part of their investment. In making an investment decision, prospective Investors must rely on their own examination of our Company and the terms of the Issue, including the risks involved.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Letter of Offer. To obtain a complete understanding, this section should be read in conjunction with the chapters entitled 'Our Business', 'Financial Statements' and 'Management Discussion and Analysis of Financial Conditions and Results of Operations' beginning on pages , 84, 133 and 184 respectively, of this Draft Letter of Offer. Unless otherwise stated, the financial information of our Company used in this Section is derived from the Restated Financial Information.

1. ***Currently our Company, Promoter, Promoters Group and Director are involved in certain legal proceedings; any adverse decision in such proceedings may render us liable to penalties and may adversely affect our business and results of operations.***

   <u>A classification of legal proceedings is mentioned below:</u>

Nameof Entity	**Criminal Proceedings**	**Civil/ Arbitration Proceedings**	**Tax Proceedings**	**Labor Disputes**	**Consumer Complaints**	**Complaints under Section 138 of NI Act, 1881**	**Aggregate amount involved (₹ In lakhs)**
Company							
Against the Company	Nil	Nil	1	Nil	Nil	Nil	34.95
By the Company	Nil	1	Nil	Nil	Nil	Nil	NA
Promoters							
Against the Promoter	Nil	Nil	Nil	2	Nil	Nil	14.50
By the Promoter	Nil	1	Nil	Nil	Nil	Nil	22.14
Promoter Group Entities							
Against Promoter Group Companies	Nil	Nil	Nil	1	Nil	Nil	50.00

Also, there is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company and Subsidiaries see the chapter titled "Outstanding Litigation and Material Developments" on page 198 and the chapter titled "Our Promoters" on page 123 of this Draft Letter of Offer.

2. ***Our Company has in the past not made, and/or delayed in making, and/or erroneously made certain filings under the erstwhile Listing Agreement, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 / other regulations made under the SEBI Act, 1992.***

Our Company has made delayed disclosure under Regulations 27(2) for the quarter ending on December 31, 2014 and December 31, 2015 and under Regulations 34 for the quarter ending on December 31, 2014 and December 31, 2016 and for the same BSE Ltd. has imposed a penalty of Rs. 5,41,620/-. We had requested BSE Ltd. to exempt us from the said penalty however we are yet to receive any response from the Exchange. If the said penalty is not exempted or if any fresh penalty is imposed, the same would impact our profitability. There are other non-disclosures/delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Exchange and/or SEBI impossing penalties, issuing warnings and show cause notices against us and/or our Promoter, and/or taking actions as provided under the scheme of SEBI Act and Rules and Regulations made there under. If such action is initiated / penalties impossed the same would materially affect our business, results of operations and our financial conditions.

3. ***Our Company has not filed certain forms and/or not kept statutory records in a manner as prescribed under the Companies Act. Further our Company might have in the past conducted its operations which may result into violations of Companies act and the same might attract penal action from RoC and or other relevant authorities against us.***

In the year 2014 Mr. Deepak H. Katwa who was holding a post of Non-Executive Director in the company was appointed as the Chied Financial Officer of our Company and his designation was changed from Non-Executive to Executive Director. However, Our Company had not the filed e-form DIR-12 for the change in his designation from Non-Executive to Executive Director. Further in the past few of our Non-Executive Independent Directors retired by rotaion which is not in consonance with the scheme provided under the Companies Act and erstwhile Listing Agreement delaing with appointment, terms of service and resignation of Non-Executive Independent Directors. Further more, in past we have appointed Chairman to precide over our Annual General Meetings in contravention of the provisions of the Ariticles of Associations as adopted by the Company. Our Chairman Emiretus Mr. H. D. Katwa in the past had presided over the Annual General Meetings whereas as per the Articles the same should have been precided over by Chairman of the Board, Mr. Venkatesh H. Katwa. We have also not maintained few of our statutory records and other documents in a manner provided under the Companies Act. Thus we are not in a position to determine certain non-complaince and the risk associated with it. These infractions may result into RoC and other authorities issuing warnings and show cause notices against us and/or our Promoter, impossing penalties and/or taking actions as provided under the scheme of Companies Act and other laws prevailing in India made there under. If such action is initiated / penalties impossed the same would materially affect our business, results of operations and our financial conditions.

4. ***Our Company as on September 25, 2018 has availed Rs. 3629 lakhs as unsecured loan from Directors, promoter and promoter group entities which are repayable on demand. However, there is no definitive agreement between us and the lendors (i.e.) the Directors, promoter and promoter group entities governing our rights and liabilities qua the lendors. These loans are payable demand and any demand from the lenders for repayment of such unsecured loan may affect our cash flow and financial condition.***

Our Company has, as on September 25, 2018 availed total sum of ` 3629 lakhs as unsecured loan accruing an interest at the rate of 9% pa from Directors, promoter and promoter group entities. We have not entered in to any written agreement governing the terms of the loan and rights and liabilities qua both the parties are not definitive. Incase of a dispute arising out of these loans, as there is no definitive agreement, we might face legal hurdles to determin and enforse our legal rights qua the lendors and might have to incure cost for the same.
Further the said loan amount is payable at demand which may be recalled at any time. Sudden recall may disrupt our operations and also may force us to opt for funding at unviable terms resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of fund. For further details, please refer to the section ―Restated Standalone Statement of Long Term Borrowing on page no. 133 of this Draft Letter of Offer. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

5. ***Our Company has entered various agreements, provided representations to KPTCL and Government of Karnataka and other allied departments in relatin to generation of solar energy. Incase of any violations of the contractual terms or non fulfillment of the represenations made by us, could make us liable as per the terms of those agreements and Government Rules and Regulations and we could also loose our competitive advantages which we at this point of time enjoy.***

Our Company has entered into a wheeling and banking agreement dated March 24, 2018 with KPTCL and GESCOM and HESCOM for generation and supply of electricity from our solar power plant located at Bisarhalli Village, Koppal, Karnataka. As per the Schedule I of the said agreement, there is a responsibility on the company to maintain at all-time the government approvals mentioned therein. Similarly, the Schedule II of the agreement casts certain responsibility on Our Company as to the supply of electricity. Any failure on the part of the Company to comply with any of the stipulations mentioned those schedules, agreement and ancillary representations made therein will attract penalty and may also result in the termination of the agreement. Further the Agreement also contains circumstances, as and when arise will attract penalty on Our Company. Further we have also provided further represenations, entered into agreements which entittled us to carry out the production and supply of electricity, sale of the electricity to third party and receive certain subsidies and other advantages under the various schemes, plans, and projects. Incase we fail to dischare oour responsibilities, or breach the contitions which allowed us to operate the said plant, the same would either make us liable for penalty, loosing of competitive advantages and facing other actions incuding termination of agreements and the same will have an impact on the financial and operations of the Company.

6. **Our Company is yet to finalise its operational and maintenance agreement with Enrich Solar Services Private Limited for the solar power plant.**

We have outsourced the operation and maintenance of the solar power plant located at Bisarhalli Village, Koppal, Karnataka, to Enrich Solar Services Private Limited (“**Enrich**”). We have entered into a letter of intent dated August 04, 2017 and consequently a work order has been provided in favour of Enrich, vide which Our Company has entrusted Enrich with a responsibility for the installation and maintenance of its solar energy plant located at Bisarhalli Village, Koppal, Karnataka. The Company has also entered into further agreements for maintenance of the solar plant and ensuring minimum production of solar energy/electricity with Enrich, if there is any breach/failure on part of Enrich sin carrying out its responsibilities as mentioned under the work orders, the same can have serious financial liabilities on Our Company and could affect its ability to discharge its obligations under the wheeling and banking agreement. Further we are yet to finalise our Operation and Mantianance Agreement with Enrich, and therefore, there is no definitive rights which we might be able to enfore against Enrich.

7. **We rely on contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.**

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage on-site contract labour for performance of certain of our operations in each of our business verticals. Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent employees. In the event of any non-compliance by contractors with statutory requirements, legal proceedings may be initiated against us. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

8. ***We do not own registered office from which we operate. Further our warehouses/branch offices loaced in Goa and Maharashtra are also not owned by us.***

Our Registered Office is situated Jyoti Tower, 215/2, 6th Cross Nazar Camp, Karbhar Galli, Madhavpur Vadgaon, Belagavi, Karnataka - 590 005, India. The registered office is not owned by us. Our company has taken premises on rental basis and has entered into rent agreement with Venkatesh H. Katwa, Vilas H. Katwa, Deepak H. Katwa who is relative of our promoters. The premises have been taken by us on lease for a period of 15 yrs from 2016. Further, the said agreement has yet not been registered, the consequence of non-registration would may impact the Company adversely. This lease is renewable on mutually agreed terms.

Further our warehouses and/or branch office at Goa and Maharashtra are also not owned by the Compnay, and we do not have any formal arrangement with the owners of the premises. As we donot have any formal arrangement with the owners we might be required to vacate the said business premises and handover the possession to the lessor/owner, unless renewed or fresh agreement is entered.

There can be no assurance that the term of the agreements will be renewed and/or entered in the event the lessor/owners terminates or does not renew the agreements on commercially acceptable terms, or at all, and we may require to vacate the registered office and warehouse and identify alternative premises and enter into fresh lease or leave and license agreement. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability.

9. ***Our Company has not obtained the Registration under the Maharashtra Shop and Establishment Act 1948 and the Goa, Daman and Diu Shops and Establishments Act, 1973***

Our Company presentaly using commercial establishments at House No. 387, Kagwad Road, Mahishal, Maharashtra and at Jyoti Estate Building, A/2 Shop No. G-7, Corlim, Goa. These establishments mentioned are used by Our Company as wharehouses and/or branch offices. However as on date we have not registered these premises under the aforesaid shop and establishment laws. Hence, Our Company and/or promoter are subject to action being taken by the relevant authority.

10. ***Our Company's profits have fluctuated in the past and any such fluctuations in the future, may adversely affect our ability to declare dividends and impact the ability to compare our financial performance across various Fiscals.***

Our Company's net profit / (loss) after tax, as restated, in Fiscal 2018, Fiscal 2017, Fiscal 2016, Fiscal 2015 and Fiscal 2014, was ₹ (171.82) lakhs, ₹ 73.27 lakhs, ₹ 438 lakhs, ₹ 291 lakhs, and ₹ 162 lakhs respectively. Our Company's profits have fluctuated in the past 5 Fiscals due to various factors which include lower sales realization per tonne, increase in power and fuel cost, write off of obsolete stores and spares, impairment of assets and additional discounts to dealers to promote sales. Such fluctuations in our Company's profits in the future may adversely affect our ability to declare dividends. Further, fluctuation in profits may also impact the ability to compare our financial performance across various Fiscals

11. ***Our Company has negative cash flow in past few fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.***

The detailed break up of cash flows is summarized in below mentioned table and Our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Net Cash Flow from Operating Activities	(1,039.95)	-	-	-	-
Net Cash Flow from Investing Activities	(8,864.05	(3,525.27)	(844.005)	(125.20)	(417.13)
Net Cash Flow from Financing Activities	-	-	(622.40)	(648.51)	(415.23)

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 to make new investments without raising finance from external resources. If we experience any negative cash flow in future, this could adversely affect our result of operations and financial conditions. For further details, see "Financial Statements as restated" on page 133 of this Draft Letter of Offer. We cannot assure you thatour net cash flows will be positive in the future.

12. One of Our Group company has negative taxable income. The details of the same are as follows:

(in USD)

S. No.	Name of the Company	2017	2016
1.	Katwa Inc.	(36,501)	20,023

13. Coal is an important fuel source in our manufacturing operations for which our Company has not entered into a long term agreement with any Company. Any shortage in the supply, or increase in the price, of coal could have an adverse impact on our Company's business, financial condition andprofitability.

Coal is the main fuel in our manufacturing operations required for firing the pre-heater and rotary kiln. During Fiscal 18, Fiscal 2017 and Fiscal 2016, expenditure on coal is ₹ 846.52 Lakhs, ₹ 560.29 Lakhs, and ₹ 784.10 Lakhs and the same constitutes 16.25%, 11.43% and 16.25% of our total expenses and 16.16%, 10.75% and 13.07% of our total income, respectively.

Our Company generally buys coal from indigenous sources and also uses coal that is bought from Indian companies. However, our Company does not have a long term agreement with any entity for the procurement coal. Our total annual coal requirement is 35,000 (approx) tonnes and, in the absence of any long term agreement, any inability to procure sufficient quantities of coal on commercially acceptable terms or any inability to pass on any increase in the price of coal to our customers could adversely affect our business, results of operations and financial condition.

Accordingly, in the absence of long term firm arrangements for the procurement of coal, any shortage in the supply of coal could have an adverse impact on our Company's business and financial condition. Further, any increase in the price of coal, to the extent that we are unable to pass on the cost to the end consumer, would have an adverse impact on our margins and our profitability.

14. The performance of our solar power projects is affected by varying radiation levels and it can only be estimated based on historical average GHI data and soiling losses, which may fluctuate during a period and lead to the unreliability of such predictions.

We rely on a group of metrics, including the Global Horizontal Irradiance (GHI) and soiling losses which may vary during a period due to changes in solar irradiation, temperature, cloud cover, dust levels and the bell curve of the sun's activity cycle. Further to estimate the performance of our solar power project, Variances in these metrics make it difficult to accurately predict the expected annual energy production. Inaccurate estimations of the performance and miscalculation of direct normal irradiance of our solar power projects could adversely affect our business, results of operations, financial condition and prospects. We cannot assure you that we will not be affected by such inaccurate estimations and miscalculations.

15. The demand for cement isseasonal

In India, the demand for cement, generally, declines during monsoons due to slowdown in construction activity, consequently making demand for cement seasonal. Monsoons typically extend from June to September across India (except in parts of Tamil Nadu and Kerala, where they last from November to January). Consequently, demand is the lowest during the July-September quarter and highest during the January-March quarter. Our Company's manufacturing output and our revenues may be adversely affected during such period

16. ***Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations. Further, we would require additional working capital for the proposed project.***

The cement industry is working capital intensive and involves a lot of investment in trade receivables and inventory. We intend to continue growing by reaching to other geographical 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. Further, the Company would be approaching the banks for obtaining additional working capital at appropriate time to finance its requirements for the existing project or new projects, if any. For further details regarding working capital requirement, please refer to the chapter titled "Objects of the Issue" beginning on page 67 of this Draft Letter of offer.

17. **Our Company may have not complied with the provisions of Factories Act 1948, and other labour laws and which can be subject to penalties and regulatory actions.**

Our business is in sesonal nature and we employ workers in our plants/factories depending upon the need we have and some time layoff excess employees; and the same may not be in line of the provisions of the Factories Act 1948 and other allied labour laws. Further our operation and process followed by us in relation to workman employeed, their service conditions, payment of wages/bonus, terms of appointment and cesassion may not be, as per the provisions of Factories Act 1948, Payment of Bonus Act, 1965, Payment of Wages Act 1936, Payment of Gratuity Act, 1972 and other applicable labour laws and any liability under these laws and/or other labour laws could create both penal and civil liability on us and our promoters.

18. ***Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.***

Our financing agreements include conditions and restrictive covenants that require us to obtain consents from respective lenders prior to carrying out specified activities and entering into certain transactions. Our lenders have certain rights to determine how we operate our businesses, which, amongst other things, restrict our ability undertake various actions including incurring additional debt, declaring dividends, amending our constitutional documents, changing the ownership or control (including beneficial ownership or control) and managing of our business. We cannot assure you that we will be able to obtain approvals to undertake any of these activities as and when required or comply with such covenants or other covenants in thefuture.

Further, these debt obligations are typically secured by a combination of security interests over our assets and hypothecation of movables and future receivables. The security allows our lenders to inter alia sell the relevant assets in the event of our default.

Under such financing agreements, we are also required to comply with certain financial covenants, such as maintaining prescribed financial ratios at all times.

Further, if we incur additional debt or if there is an increase in the applicable interest rates for our existing debt, our interest payment obligations will increase and we may become subject to additional conditions from lenders, including additional restrictions on the operation of our business. The financing agreements that we are party to, or which we may enter into in the future, may be unilaterally terminated by our lenders or the lenders could decline to lend to us under such agreements. Further, we cannot assure you that we will be able to raise additional financing on favorable terms, or at all. Any failure in the future to obtain necessary financing could result in a cash flow mismatch. Any of these factors could have an adverse effect on our business, financial condition and results of operations.

For further details of our financial indebtedness please see the chapter entitled 'Financial Indebtedness' beginning on page 197 of this Draft Letter of Offer.

19. We have applied for the licenses/approvals required by us to operate our factories, solar plants and other business and we would be adversely affected in case of delayed / non receipt of such licenses / approvals

Our Company has applied for the BIS Certification marks 43 Grade Ordinary Portland Cement, for its Kaladgi plant, however we are yet to receive the renewed licenses and if there is any delay in receiving the license, approvals and/or the approvals and license is not received, the same could materially affect our ability to operate (for details of licenses/ approvals required please refer chapter of "Government and Other Statutory Approvals") at page 202 of the Draft Letter of Offer.

20. We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. Also, some of our existing approvals are required kept upto date and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. In case of delay or failure to obtain the same, it could affect our business operations. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. For more information, see chapter "Government and Other Statutory Approvals" on page 202 of this Draft letter of Offer. Further, Our Company might not have taken the Environmental clearance for expansion of Plant 1. Such noncompliance may render us liable to penalties and other regulatory actions relevant laws.

21. Some of the forms filed by us with the Registrar of Companies and our records in that respect are not traceable.

Our Company from came into existence in the year 1993, when the most of the forms were filed and preserved in physical mode. Due to certain reasons beyond of our control, we are unable to locate certain corporate records of our Company, in respect of certain corporate actions undertaken by our Company, prior to the acquisition by our Promoter, including allotment of shares and alteration of authorised share capital and regulatory and other filings made by our Company.

Our Company has initiated various steps to recover the lost/ destroyed documents including by approaching the erstwhile company secretary of our Company and are continuously following up with relevant authorities to locate and retrieve the said records from the Registrar of Companies. However, despite continuous efforts, our Company has been unable to retrieve these documents. We cannot assure you that these records will be available in the future or that we will not be subject to any penalty imposed by the competent regulatory authority in this respect.

22. Any failure to obtain, renew and maintain requisite statutory and regulatory permits, licenses and approvals for our operations from time to time may adversely affect ourbusiness.

We require various statutory and regulatory permits, licenses and approvals to carry out our business and operations including environmental clearances and consents (cumulatively, the Approvals). For further details, please see the chapter entitled 'Government and Other Approvals' beginning on page 202 of this Draft Letter of Offer. A majority of the Approvals are granted for a limited duration and must be periodically renewed. Further, while we have applied for some of these Approvals, we cannot assure you that such Approvals will be issued or granted to us in a timely manner, or at all. If we do not receive these Approvals or if we are unable to renew the Approvals in a timely manner, or at all, our business and operations may be adversely affected.

Further, the Approvals are subject to numerous conditions and there can be no assurance that the Approvals will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Suspension or revocation of the Approvals by the relevant regulatory authority, either on account of non-compliance or otherwise, would impair our Company's operations and, consequently, have an adverse effect on our business and financial condition. Our Company may also be liable to monetary penalties and imprisonment.

23. Our Company's business is concentrated in and around Karnataka and Maharashtra. Any decline in our revenues from this region could adversely impact our business and financialcondition.

Our Company has a manufacturing unit in Nagnapur Village and in Kaladgi Village, both located at Bagalkot District in Karnataka. Our Company's engages with number of distributors and also engages in the direct sale across the State of Karnataka Maharashtra & Goa. Notwithstanding sales across various parts of India, majority of our total income is derived from Karnataka, Maharashtra & Goa. In Fiscals during Fiscal 2018, Fiscal 2017, Fiscal 2016, Fiscal 2015 and Fiscal 2014, our income from sales within Karnataka, Maharashtra and Goa constituted ₹ 3497.28 lakhs, ₹ 4339.34 lakhs, ₹ 4673.18, ₹ 4133.02, ₹ 3366.76 lakhs and the same constitutes 67.19%, 84.17%, 78.10%, 76.10% and 66.40% of our total income.

There are a number of cement manufacturers based in Bagalkot District who also focus on selling their products in the same geographic zone as our Company. There can be no assurance that our Company will continue to be able to generate similar revenues from Karnataka and Maharashtra. Failure to generate similar revenues from our focus areas may impact our business, the results from our operations and our financial condition.

24. The objects of the Offer for which the funds are being raised have not been appraised by any bank or financial institutions. Further, the deployment of the proceeds from the Issue is at the discretion of our Company and is not subject to monitoring by any independent agency.

The objects of the Offer have not been appraised by any bank or financial institution. Since the Issue size is less than ₹ 5,000 million, we are not required to appoint a monitoring agency under SEBI ICDR Regulations. Hence, the deployment of the proceeds from the Issue will be at the discretion of our Company and is not subject to any monitoring by an independent agency. Net Proceeds from the Issue, pending utilisation (for the stated objects) shall be deposited only with scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934. We cannot assure you that we will be able to monitor and report the deployment of the Net Proceeds of the Issue in a manner similar to that of the monitoring agency.

25. Our Company is heavily reliant on the demand for cement from various industries infrastructure, housing and commercial real estate. Any downturn in the cement consuming industries could have an adverse impact on our Company's business and results ofoperations.

The cement manufacturing companies are heavily reliant on demand from the cement-consuming industries such as infrastructure, housing and commercial real estate. These industries are, in turn, affected by macro-economic factors and the general Indian economy.

While cement consuming industries such as infrastructure are expected to witness higher investments and, consequently, drive demand for cement, there can be no assurance that these expectations will be met or that our Company will benefit from such expansion. However, a slowdown in the cement consuming industries including infrastructure, housing and commercial real estate could have adverse impact on cement demand and, consequently, on our Company's business, results from operations and profits. Any sustained downturn slump in these industries could have a material adverse impact on our Company's business and financial condition, and, an impact on the price of the Equity Shares.

26. If our Company is unable to respond effectively to competition, our business and our financial condition may be adverselyaffected.

We operate in a highly intensive and competitive industry, consequent to which we face intense competition. The Indian cement industry is dominated by a few large pan-India cement manufacturers such as ACC Ltd, Ambuja Cements Limited, and Ultratech Cement Limited who cumulatively account for approximately 35% of the total market share. In addition, Chettinad Cement Corporation Limited, Ramco Cements, India Cements and Dalmia Cements are some of the other larger manufacturers in South India. Further, the cement industry in the southern region of India is much more fragmented than the rest of India and there are a number of medium and small cement manufacturers in and around Karnataka, which is where our manufacturing unit is located and our largest market. The larger operators may have a significant pricing advantage over us due to their economies of scale. The smaller operators can eat into our market share due to the specificity of their operations eg. some may manufacture only a single grade of cement and more concentrated geographical sales focus. Our ability to effectively compete with large, medium and small manufacturers will have a significant bearing on our business and financial condition.

27. ***Our cement manufacturing operations are hazardous processes that can cause personal injury and loss of life, severe damage to property and equipment as well as environmental damage, which could cause us to incur significant costs and liabilities and may damage our reputation.***

We are subject to a broad range of health and safety laws and regulations presently in exsistance in India. These laws and regulations, as interpreted by the relevant agencies and the courts, impose increasingly stringent health and safety protection standards. The costs of complying with, and the imposition of liabilities pursuant to, health and safety laws and regulations could be significant, and failure to comply could result in the imposition of civil and/or criminal penalties, the suspension of permits or operations and lawsuits by third parties. Costs related to our obligations to pension and other and financial condition.
Despite our efforts to monitor and reduce accidents at our facilities, there remains a risk that health and safety incidents may occur. Such incidents could include explosions or fires, vehicular accidents and other incidents involving mobile equipment or exposure to potentially hazardous materials. Due to the nature of our business, certain incidents can and do result in employee fatalities. Some of our industrial activities involve the use, storage and transportation of dangerous chemicals and toxic substances, and we are therefore subject to the risk of industrial accidents which could have significant adverse consequences for our workers and facilities, as well as the environment. Such incidents could lead to production stoppages, the loss of key assets, or put employees at risk (and those of sub-contractors and suppliers) or persons living near affected sites.

28. ***We are heavily dependent on machinery for our operations. Any break-down of our machinery will have a significant impact on our business, financial results and growthprospects.***

Our manufacturing facility is heavily dependent on plant and machinery including crushers, preheater, raw mill, kiln, coolers and grinding mills. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. Further, while we believe that we maintain necessary supplies of spare parts and maintenance related equipment, if we are unable to procure the necessary spare parts in a timely manner or if we are unable to repair the malfunctioning machinery promptly, our manufacturing operations may be hampered which could have an adverse impact on our results of operations and financialresults.

29. ***The cement industry relies on an extensive network of dealers and consignment agents for the sale of cement.***

As on March 31, 2018, our Company had over 400 dealers spread throughout the territory of South Maharashtra, North Karnataka and Goa. Our Company relies heavily on its network of dealers for sale of our products. While a majority of these dealers have been distributing our products for long periods of time, they operate on commission and other incentives. Moreover, we do not have long term contracts with our dealers and consignment agents. If our competitors provide better commissions or incentives (or if we reduce our commissions or incentives) to our dealers and consignment agents, it could result in them favoring the products of other cement manufacturers including our direct competitors. Any significant disruption in the dealership and consignment agency network could have a significant impact on our business, financial condition and profits.

30. *Our Promoter will continue to be our largest Shareholder and have the right to approve certain corporate actions, which may potentially involve conflicts of interest with the other EquityShareholders.*

Our Promoter holds 67.81% of the Equity Share Capital and, therefore, will have the ability to significantly influence our corporate decision making process. This will include the ability to appoint Directors on our Board and the right to approve significant actions at Board and at Shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to the Memorandum and Articles of Association, and any assignment or transfer of our interest in any of our licenses. We cannot assure you that our Promoter interests in any such scenario will not conflict with the interest of other Shareholders or with the interests of our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business effectively or in the best interests of our otherShareholders.

31. *Our future success will depend on our ability to effectively implement our business and growth strategies failing which our results of operations may be adversely affected.*

Our success will depend, in large part, on our ability to effectively implement our business and growth strategies. We cannot assure you that we will be able to execute our strategies in a timely manner or within budget estimates or that we will meet the expectations of our customers and other stakeholders. We believe that our business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Further, our business and growth strategies may require us to incur further indebtedness. Any inability to manage our business and growth strategies could adversely affect our business, financial condition and results ofoperations.

In addition, the object of the issue we have recently set up a Solar Power Project. Our Company has no past experience in operating and managing a power plant and our inability to successfully operate the solar power plant may have adverse impact on our results of operations and profitability.

Our inability to maintain our growth or failure to successfully implement our growth strategies could have an adverse impact on the results of our operations, our financial condition and our businessprospects.

32. *Our inability to protect or use our intellectual property rights may adversely affect our business.*

We have registered trademarks viz. '*Keshav Cements*' and '*Jyoti Power*' and notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe our rights, which may have an adverse effect on our business and results of operations.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our product offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those claims could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease certain product offerings. Any of the foregoing could adversely affect our business, results of operations and financialcondition.

33. *Our operations are subject to varied business risks and our insurance cover may prove inadequate to cover our economic losses.*

Our operations are subject to various risks and hazards which may adversely affect revenue generation and profitability. While we believe that we have taken adequate safeguards to protect our assets from various risks inherent in our business, including by purchasing and maintaining relevant insurance cover, it is possible that our insurance cover may not provide adequate coverage in certain circumstances.

We maintain ‘All Risk’ insurance including cover for fire, flood and earthquake for our various properties and our manufacturing facility. While we believe that we maintain sufficient insurance cover, certain types of losses may be either uninsurable or not economically viable to insure, such as losses due to acts of terrorism or war. Should an uninsured loss occur, we could lose our investment in, as well as anticipated profits and cash flows from the asset. In addition, even if any such loss is insured, there may be a significant deductible on any claim for recovery prior to our insurer being obligated to reimburse us for the loss, or the amount of the loss may exceed our coverage for the loss. Further, even in the case of an insured risk occurring there can be no assurance that we will be successful in claiming insurance in part or full, or the insurance purchased by us may be insufficient to cover the loss occasioned by the risk. Any loss that is not covered by insurance or for which we are unable to successfully claim insurance or which is in excess of the insurance cover could, in addition to damaging our reputation, have an adverse effect on our business, financial condition and results of operation. Further, an insurance claim once made could lead to an increase in our insurancepremium.

34. Any failure of our information technology systems could adversely impact ourbusiness.

Our day to day operations depend on our information technology systems. All our operations function under an ERP system and we rely heavily on our information technology systems for various operational aspects including for our manufacturing process which is significantly automated. We also use information technology systems for routine corporate activities such as processing of financial information, managing information pertaining to creditors/ debtors and engaging in normal business activities. Although we believe that we have effective backup systems in place, any partial or complete disruption of our information technology systems could adversely impact our business and the result of our operations.

35. We are heavily reliant on our Key Management Personnel and persons with technical expertise. Failure to retain or replace them will adversely affect our business.

In order to successfully manage and expand our business, we are dependent on the services of Key Management Personnel, and our ability to attract, train, motivate and retain skilled employees, including technicians and other professionals. In addition, our business is technical in nature and requires personnel with requisite technical expertise. If we are unable to hire additional personnel or retain existing qualified personnel, in particular our Key Management Personnel and persons with requisite technical expertise, our operations and our ability to expand our business may be impaired. Further, we may be unable to hire and retain enough skilled and experienced employees to replace those who leave or may not be able to re-deploy existing resources successfully. Failure to hire or retain Key Management Personnel and skilled and experienced employees could adversely affect our business and results ofoperations.

36. We may not be able to realise the amounts, partly or at all, which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.

Future earnings related to the orders may not be realized and although the orders that is considered firm, cancellations or scope or schedule adjustments may occur. We may also encounter problems executing the orders, or executing it on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone some orders or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions, other types of difficulties or obstructions, in relation to the proposed project. Due to the possibility of cancellations or changes in scope of orders, resulting from our clients’ discretion or problems we encounter or reasons outside our control or the control of our clients, we cannot predict with certainty when, if or to what extent orders will be performed. Delays in delivering orders can lead to clients delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such orders. Any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to our order book projects or any other incomplete orders, or disputes with clients in respect of any of the foregoing, could adversely affect our cash flow position, revenues and earnings.

37. In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and Key Managerial Personnel are interested in Our Company to the extent of their shareholding and dividend entitlement in Our Company

Our Directors and Key Managerial Personnel are interested in Our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding and dividend entitlement in Our Company. For further information, see "*Capital Structure*" and "*Our Management*" on pages 58 and 109, respectively, of this Draft Letter of Offer.

38. We have a large work force and our employee benefit expense is significant component of our operating costs. An increase in employee benefit expense could reduce ourprofitability.

Our operations are highly dependent on our skilled and semi-skilled labour. Due to economic growth in the past and the increase in competition for skilled and semiskilled employees in India, wages in India have, in recent years, been increasing. In addition, we may also need to increase our compensation levels to remain competitive in attracting and retaining the quality and number of skilled and semi-skilled employees that our business requires. Finally, many of our employees receive salaries that are linked to minimum wage laws in India and any increase in the minimum wage in any state in which we operate could increase our operating costs. A significant long-term increase in our employee benefit expense could reduce our profitability, which could, amongst others, impact our growth prospects.

39. The unexpected loss, shutdown or slowdown of operations at any of our facilities could have amaterial adverse effect on our results of operations and financial condition.

Our facilities are subject to operating risks, such as the breakdown or failure of equipment, powersupply interruptions, facility obsolescence or disrepair, labor disputes, natural disasters and industrialaccidents. The occurrence of any of these risks could affect our operations by causing production at one or more facilities to shut down or slowdown. No assurance can be given that one or more of the factorsmentioned above will not occur, which could have a material adverse effect on our results of operations. In addition, our manufacturing processes depend on critical pieces of equipment for manufacturing of cement. Such equipment may, on occasion, be out of service as a result of unanticipated failures, which could require us to close part or all of the relevant production facility or cause production reductions on one or more of our production facilities. Our facility and equipment would be difficult and expensive to replace on a timely basis. Any interruption in production may require significant and unanticipated capital expenditure to affect repairs, which could have a negative effect on profitability and cash flows. Although we maintain business interruption insurance, the recoveries under our insurance coverage may be delayed or may not be sufficient to offset the lost revenues or increased costs resulting from a disruption of our operations. A sustained disruption to our business could also result in a loss of customers. Any or all of these occurrences could result in the temporary or long-term closure of our facilities, severely disrupt our business operations and materially adversely affect our business, results of operations, financial condition and prospects.

40. Environmental matters, including compliance with laws and regulations and remediation of contamination, could result in substantially increased capital requirements and operating costs.

Our businesses are subject to numerous laws, regulations and contractual commitments relating to the environment in the countries in which it operates and our operations generate large amounts of pollutants and waste, some of which are hazardous. These laws, regulations and contractual commitments concern air emissions, wastewater discharges, solid and hazardous waste material handling and disposal, and the investigation and remediation of contamination or other environmental restoration. The risk of substantial costs and liabilities related to compliance with these laws and regulations is an inherent part of our business. Facilities currently or formerly owned or operated by us, or where wastes have been disposed or materials extracted, are all subject to risk of environmental cost and liabilities, which includes the costs or liabilities relating to the investigation and remediation of past or present contamination or other environmental restoration. In addition, future conditions and contamination may develop, arise or be discovered that create substantial environmental compliance, remediation or restoration liabilities and costs despite our efforts to comply with environmental laws and regulations, violations of such laws or regulations can result in civil and/or criminal penalties being imposed, the suspension of permits, requirements to curtail or suspend operations, lawsuits by third parties and negative reputational effects. There can be no assurance that substantial costs and liabilities will not be incurred in the future.

An increase in the requirements of environmental laws and regulations, increasingly strict enforcement thereof by governmental authorities, or claims for damages to property or injury to persons resulting from the environmental impacts of our operations or past contamination, could prevent or restrict some of our operations, require the expenditure of significant funds to bring us into compliance, involve the imposition of cleanup requirements and reporting obligations, and give rise to civil and/or criminal liability.

There can be no assurance that any such legislation, regulation, enforcement or private claim will not have a material adverse effect on our business, financial condition or results of operations. In the event that production at one of our facilities is partially or wholly disrupted due to this type of sanction, our business could suffer significantly and our results of operations and financial condition could be materially and adversely affected.

In addition, our current and future operations may be located in areas where communities may regard our activities as having a detrimental effect on their natural environment and conditions of life. Any actions taken by such communities in response to such concerns could compromise our profitability or, in extreme cases, the viability of an operation or the development of new activities in the relevant region or country.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless Our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders' investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page [·] of this Draft Letter of Offer.

42. ***Our Promoters have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.***

Our Promoters have provided personal guarantees to secure all loan facilities availed of by us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative 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 may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

43. ***Our lenders have charge over our movable and immovable properties in respect of the finance availed by us.***

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were ₹ 11,867.47 as on March 31, 2018 In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the Financial Indebtedness please refer to page no. 197 of this Draft Letter of Offer.

EXTERNAL RISK FACTORS

44. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India, Europe and the other markets we currently service.

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and therefore our results of operations, may include:

- any increase in interest rates or inflation;
- any exchange rate fluctuation;
- any scarcity of credit or other financing in India, resulting in an adverse impact on the
- economic conditions in India and scarcity of financing of our developments and expansions;
- political instability, a change in government or a change in the economic and deregulation
- policies;
- domestic consumption and savings;
- balance of trade movements, namely export demand and movements in key imports (oil andoilproducts);
- annual rainfall in India which affects agricultural production;
- any exchange rate fluctuations;
- any scarcity of credit or other financing, resulting in scarcity of financing for our expansions;
- prevailing economic and income conditions among Indian and European consumers andcorporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stockexchanges;
- changes in tax, trade, fiscal or monetary policies, including application of GST;
- political instability, terrorism or military conflicts in India;
- occurrence of natural or man-made disasters;
- infectious disease outbreaks or other serious public health concerns; and
- other significant regulatory or economic developments in or affecting India or its financialservices and pharmaceutical sectors;

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and theprice of the Ordinary Shares. Our performance and the growth of our business depend on theperformance of the Indian economy and the economies of the regional markets we currently serve.

These economies could be adversely affected by various factors, such as political and regulatorychanges including adverse changes in liberalization policies, social disturbances, religious or communaltensions, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodityand energy prices and various other factors. Any slowdown in these economies could adversely affectthe ability of our customers to afford our services, which in turn would adversely impact our businessand financial performance and the price of the Ordinary Shares.

High rates of inflation in India could increase our costs without proportionately increasing our revenues and as such decrease our operating margins. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors thereof, could adversely impact our business, results ofoperations and financial condition and the price of the Ordinary Shares.

45. 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) high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins;
b) changes in existing laws and regulations; and
c) slowdown in economic growth or financial instability inIndia.

46. Governmental actions and changes in policy could adversely affect ourbusiness.

The Government of India and State Governments have broad powers to affect the Indian economy and our business in numerous ways. Any change in existing Government of India and/or State Government policies or new policies providing or withdrawing support to the Indian cement industry or otherwise affecting the economy of India, including the construction industry, could adversely affect the supply/demand balance and competition in markets in which we operate and negatively affect our cost structure. There can be no assurance that we will be able to pass on increase in costs to our customers through an increase in our prices, which could adversely affect our business, financial condition and prospects.

47. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect ourbusiness.

The Competition Act, 2002, of India, as amended (Competition Act) regulates practices having an appreciable adverse effect on competition (AAEC) in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of guests in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Competition Act also prohibits abuse of a dominant position by anyenterprise.

On March 4, 2011, the Government issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (CCI). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non- compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

48. The occurrence of natural disasters may adversely affect the business, financial condition and results of operation of ourCompany.

India has experienced natural calamities, such as tsunami, floods, droughts and earthquakes in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy. For example, the erratic progress of the monsoon in 2015 and 2018 affected sowing operations for certain crops. Unforeseen circumstances such as below normal rainfall and other natural calamities could have a negative impact on the Indian economy. Because our operations are located in India, our business and operations could be interrupted or delayed as a result of a natural disaster in India, which could affect our business, financial condition, results of operations and the price of our EquityShares.

49. The Indian cement industry is cyclical and is affected by a number of factors beyond ourcontrol.

The Indian cement industry is cyclical in nature. In the past, cement prices and profitability of cement manufacturers have fluctuated significantly in India, depending upon overall supply and demand. A number of factors influence supply and demand for cement, including production overcapacity, general economic conditions, in particular activity levels in certain key sectors such as housing and construction, our competitors' actions and local, Government of India and State Government policies, which in turn affect the prices and margins that our Company and other Indian cement manufacturers can realise.

Excess cement production capacity in the market has been one of the major factors influencing the South Indian and Maharashtra cement market. Such excess capacity has had a direct impact on the price at which we can sell our cement and the margins we realise. There was an increase in the demand for cement in India in the mid-1990s, which resulted in Indian cement companies, including ourselves, substantially expanding their capacities. While this capacity expansion was implemented, demand for cement softened and increased at lower rates than had occurred in the mid-1990s. As a result, during and from the Financial Years 2001 to 2003, supply of cement far exceeded demand, and cement prices decreased in all markets in India, including our primary markets in South India.

The long lead time required to add or expand capacity has also led to supply/demand imbalances. The long lead time makes it more difficult for Indian cement companies to time the commencement of new production facilities when demand out-balances supply.

50. Hostilities, civil unrest, breaches of law and order and other acts of violence may adversely affect our business and the trading price of the EquityShares.

Hostilities, civil unrest and other acts of violence or war within India and the surrounding region may adversely affect worldwide financial markets and may result in a loss of consumer confidence, which in turn may adversely affect our business, prospects, results of operations, cash flows and financial condition.

51. Disruptions in transport and supply could affect ourbusiness.

The production of cement is dependent on a steady supply of various inputs. These inputs are transported to our plants by land, and cement is transported to our customers by land (through trucks). Transport of our inputs and finished products is subject to various bottlenecks and other hazards beyond our control, including poor road and other transport infrastructure, accidents, adverse weather conditions, strikes and civil unrest. Either an increase in the price of transportation or interruptions in transportation of our inputs or finished products could have a material adverse effect on our business, financial condition and results of operations. In addition, cement is a perishable product as its quality deteriorates upon contact with moisture or humidity over a period of time. Therefore, prolonged storage or exposure to moisture during transport may result in cement stocks being written off. Similarly, our cement is sold in bags, which may split open during transport, again resulting in stock being written off. We do not maintain business interruption insurance with respect totransport.

52. Our Equity Shares are quoted in Indian rupees in India and Investors may be subject to potential losses arising out of foreign exchange rate risk on the Indian rupee and risks associated with the conversion of the Indian rupee proceeds into foreigncurrency.

Investors are subject to currency fluctuation risk and convertibility risk since our Equity Shares are quoted in Indian rupees on the Indian Stock Exchange on which they are listed. Dividends on the Equity Shares will also be paid in Indian Rupees. In addition, foreign Investors that seek to sell Equity Shares will have to obtain approval from the RBI, unless the sale is made on a stock exchange or in connection with an offer made under regulations regarding takeovers. The volatility of the Indian rupee against the US Dollar and other currencies subjects Investors who convert funds into Indian rupees to purchase our Equity Shares to currency fluctuation risks.

53. If security or industry analysts do not publish research or publish unfavorable research or inaccurate research about the business of our Company, the price and trading volume of the Equity Shares of our Company may decline.

The trading market for the Equity Shares will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We may be unable to sustain coverage by well regarded securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of our Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for our Equity Shares would be negatively impacted. In the event we obtain securities or industry analyst coverage, if one or more of the analysts downgrade our Equity Shares or publish inaccurate or unfavourable research about our business, our Equity Shares price may decline. If one or more of these analysts' cease coverage of our Company or fail to publish reports on us regularly, demand for our Equity Shares could decrease, which might cause the price and trading volume of our Equity Shares to decline.

54. 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 compliancecosts.

The Companies Act, 2013 has been recently notified, except for certain provisions. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, and in certain cases, introduced certain requirements which did not have corresponding provisions under the Companies Act, 1956, such as provisions related to private placement of securities, disclosures in prospectus, corporate governance norms, accounting policies and audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in999 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 Management Personnel from engaging in forward dealing.

In addition, pursuant to the corporate social responsibility **(CSR)** provisions contained in the Companies Act, 2013 our Company may also need to spend, in each financial year, at least two per cent (2%) of our average net profits during the three (3) immediately preceding financial years towards one of the specified CSR activities.

55. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, in India may adversely affect the business and financial performance of ourCompany.

The business and financial performance of our Company could be affected by any unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to our Company and its business. For further details on certain existing regulations applicable to the business of our Company, please see the chapter entitled 'Regulations and Policies' beginning on page 95_bookmark30 of this Letter of Offer. There can be no assurance that the Government may not propose and implement new regulations and policies which may affect the business or our Company. Any such change and the related uncertainties with respect to the implementation of the new regulations may have an adverse effect on the business, financial condition and results of operations of our Company. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may adversely harm the results of operations of ourCompany.

56. Investors may be adversely affected due to retrospective tax law changes by the Indian government affecting our Company.

Certain recent changes to the Income Tax Act provide that income arising directly or indirectly through the sale of a capital asset of an offshore company, including shares, will be subject to tax in India, if such shares derive indirectly or directly their value substantially from assets located in India. The term 'substantially' has not been defined under the Income Tax Act and therefore, the applicability and implications of these changes are largely unclear. Due to these recent changes, Investors may be subject to Indian income taxes on the income arising directly or indirectly through the sale of the Equity Shares. In the past, there have been instances where changes in the Income Tax Act have been made retrospectively and there cannot be an assurance that such retrospective changes will not happen again.

57. There can be no assurance that the Rights Shares issued pursuant to the Issue will be listed on the BSE in a timely manner or atall.

In accordance with Indian law and practice, after the Board of Directors passes the resolution to allot the Securities but prior to crediting such Securities into the Depository Participant accounts of the Investors, we are required to apply to BSE for final listing approval. After receiving the final listing approval from BSE, we will credit the Securities into the Depository Participant accounts of the respective Investors and apply for the final trading approval from BSE. There could be a failure or delay in listing these Rights Shares on the BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of the RightsShares.

58. Shareholders may be subject to Indian taxes arising out of capital gains on the sale of RightsShares.

As per the current taxation laws capital gains arising from the sale of the equity shares of a company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than twelve (12) months will not be subject to capital gains tax in India if the 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 realized on the sale of equity shares held for more than twelve (12) months to an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of twelve (12) months or less will be subject to capital gains tax in India. Capital gains arising from the sale of the Rights Shares of our Company will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is aresident.

Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gain upon a sale of the Rights Shares. For further details, please see the chapter entitled 'Statement of Possible Tax Benefits Available to the Company and its Shareholders' beginning on page 74 of this Draft Letter of Offer.

59. Our Company's ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our Company's ability to raise foreign capital for expansion plans or acquisitions and other strategic transactions, and could constrain our Company's ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure Investors that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our Company's business, prospects, result of operations and financial condition.

Prominent Notes to Risk Factors

1. Issue of upto [●] Equity Shares with a face value of ₹ 10 each for cash at a price of ₹ [●] per Right Share (including a premium of ₹ [●] per Rights Share) for an amount aggregating upto ₹ 3,500 lakhs on Rights basis in the ratio of [●]:[●] ([●] ([●]) Rights Shares for every [●] ([●]) fully paid up Equity Shares) held by the Equity Shareholders on the Record Date, i.e.[●]. The face value of the Rights Shares is ₹ 10 each and the Issue Price is [●] times of the face value of the Equity Shares.

2. The Net Worth, Net Asset Value per Equity Share, Book Value per Equity Share, as at March 31, 2018, March 31, 2017 & March 31, 2016 as stated in the Restated Financial Information are as under:

Sr. No.	Particulars	Financial Year Ended on		
		March 31, 2018	March 31, 2017	March 31, 2016
1.	Net Worth (₹ in Lakhs)	1863.57	2037.23	1374.93
2.	Net Asset Value per share (₹)	36.37	39.76	26.83

Net worth means the aggregate of the paid up share capital, securities premium account and other reserves and surplus excluding revaluation reserve as restated at the end of the year. For more information, see "*Financial Information*" beginning on page 133.

3. Except as disclosed in the sections "*Group and Associate Companies*" and Related Party Transactions in "*Financial Information*" on pages 129 and 133, respectively, none of our Group Companies have any business or other interests in our Company.

4. For details of related party transactions entered into by our Company with our Promoters, Group Companies in the last Fiscal, including nature and cumulative value of the transactions, see Related Party Transactions in "*Financial Information*" on page133.

5. For information on changes in our Company's name and objects clause of the Memorandum of Association of our Company, please see the chapter entitled 'History and Certain Corporate Matters' beginning on page 103.

6. The average cost of acquisition per equity share of the Promoter is as under.

Promoter	No. of Equity Shares	Average Cost (₹)
Hanamantsa Katwa	2,100	10.00
Venkatesh Katwa	4,83,800	10.00
Vilas Katwa	4,38,800	10.00
Deepak Katwa	4,83,800	10.00

7. Investors are advised to refer to the chapter titled "Basis for Issue Price" on page 71.

8. There has been no financing arrangement whereby the Promoter Group, the Directors of our Company who are our Promoters and our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Letter of Offer with SEBI.

9. Investors are free to contact the Lead Manager, who has submitted the due diligence certificate to SEBI, for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever. For details of contact information of the Lead Manager, see "General Information" on page 53.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

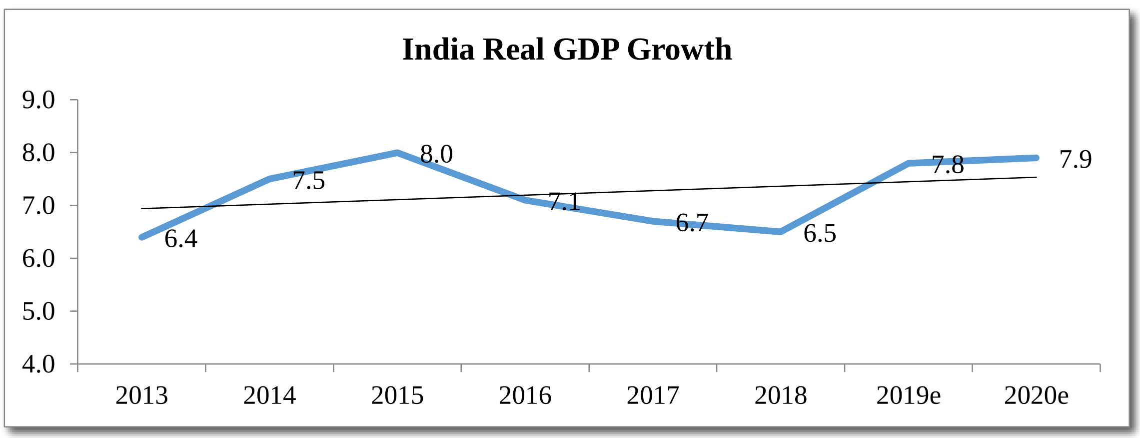
The information presented in this section has been obtained from publicly available documents from various sources, including officially prepared materials from the Government of India and its various ministries, industry websites and publicly available industry reports. Industry websites and publications generally state that the information contained therein 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 industry, market and government data used in this Draft Letter of Offer is reliable, it has not been independently verified.

Accordingly, our Company and the Lead Manager do not take any responsibility for the data, projections, forecasts, conclusions or any other information contained in this section. Certain information contained herein pertaining to subsequent years is presented in the form of estimates as they appear in the respective reports/ source documents. The actual data for those years may vary significantly and materially from the estimates so contained.

OVERVIEW OF INDIAN ECONOMY

Growth is increasing, making India the fastest-growing G20 economy. Investment and exports, supported by the smoother implementation of the new goods and services tax (GST), are becoming major growth engines. Inflation will hover within the target band, with upside risks reflecting rising oil prices and an increase in housing allowance for public employees. The current account deficit will increase. Job creation in the formal sector will remain sluggish, leaving the vast majority of workers in low-productivity, low-paid activities.

Fiscal and monetary policies are projected to remain broadly neutral. To reduce the relatively high public debt-to-GDP ratio, containing contingent fiscal liabilities is the key, including through better governance of public enterprises. Better risk assessment in banks would allow allocating financial resources to the best projects and avoiding a new increase in non-performing loans. Investing more in education and training, combined with a modernisation of labour laws, would help create better jobs and make growth more inclusive.



Source: IMF World Economic Outlook, October 2017
e - estimated

CEMENT INDUSTRY

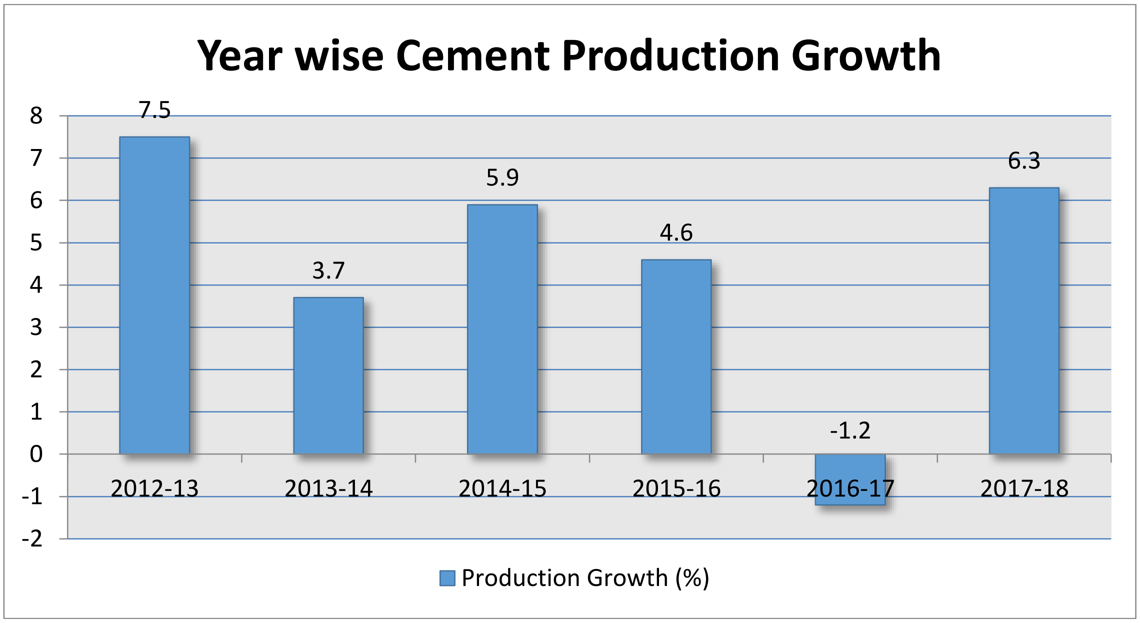
India is the second largest producer of cement in the world. Cement industry is a vital part of its economy, providing employment to more than a million people, directly or indirectly. Ever since it was deregulated in 1992, the Indian cement industry has attracted huge investments, both from Indian as well as foreign investors.

India has a lot of potential for development in the infrastructure and construction sector and the cement sector is expected to largely benefit from it. Some of the recent major initiatives such as development of 98 smart cities are expected to provide a major boost to the sector.

Expecting such developments in the country and aided by suitable government foreign policies, several foreign players such as Lafarge-Holcim, Heidelberg Cement, and Vicat have invested in the country in the recent past. A significant factor which aids the growth of this sector is the ready availability of the raw materials for making cement, such as limestone and coal.

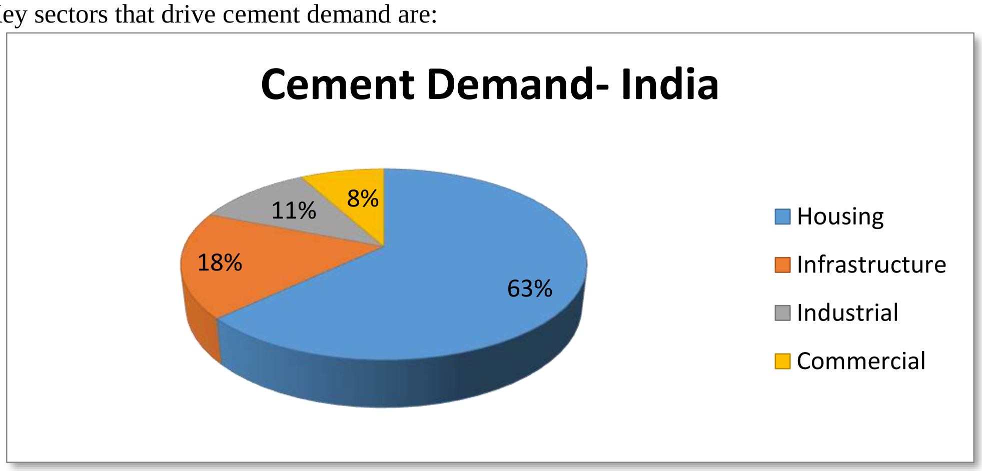
Cement production

Cement manufacturing is not uniform throughout the country. This is because the manufacturing units are located near the limestone deposits that are usually away from the markets. The Indian cement industry comprised of over 210 large cement plants and over 350 small cement plants, with installed capacity of 421.10 million tonnes and the production of cement during 2016-17 was 279.81 million tonnes.
Following graph shows year wise Cement production growth (%) in India.



(Source:http://www.cmaindia.org/mc-admin/assets/images/listfiles/mc-list8917564711582338934.pdf)

The Key sectors that drive cement demand are:



Government Initiatives

In order to help the private sector companies thrive in the industry, the government has been approving their investment schemes. Some such initiatives by the government in the recent past are as follows:

- In Budget 2018-19, Government of India announced setting up of an Affordable Housing Fund of ₹ 25,000 crore (US$ 3.86 billion) under the National Housing Bank (NHB) which will be utilised for easing credit to homebuyers. The move is expected to boost the demand of cement from the housing segment.

- The Export & Import Policy 2015-20, incorporated in the FTP for cement is free. The import of cement includes portland cement, white cement, aluminous cement, slag cement, super sulphate cement and similar hydraulic cements, whether or not coloured or in the form of clinkers, under ITC (HS) Code 2523 is free.

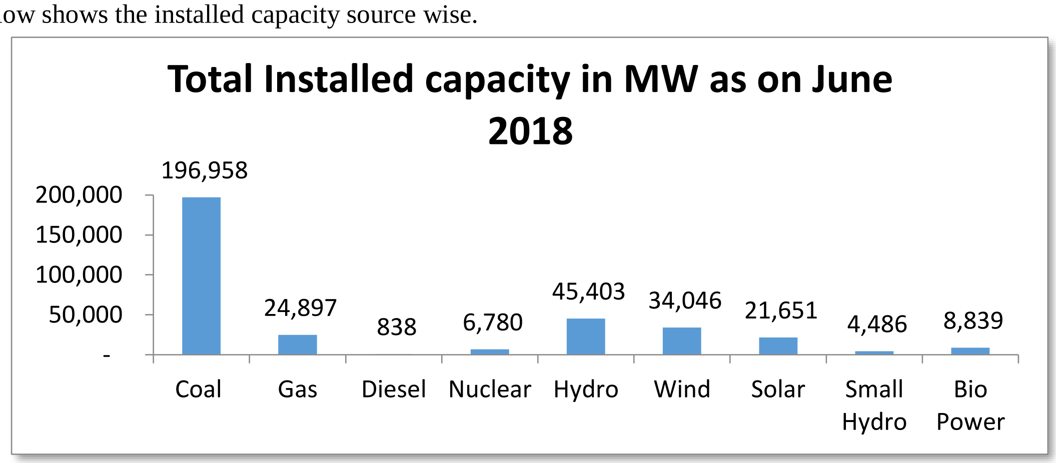
- Development Council for Cement Industry
  Development Council for Cement Industry has been set-up under Section 6 of the Industrial (Development & Regulation) Act,1951. The activity of the Council is funded through the cess collected from Cement Manufacturers in terms of the Cement Cess Rules,1993. The Cement Council promotes development of the cement industry by funding development projects in areas of base level activities of National Council for Cement & Building Materials and R&D, improving productivity by reducing cost, optimum utilisation of raw materials, modernisation of cement plants, improvement of environment, standardisation and quality control progress, bulk supply and distribution of cement, training and upgradation of skill in cement industry.

(Source:https://www.ibef.org/industry/cement-india.aspx)

RENEWABLE ENERGY INDUSTRY – SOLAR ENERGY

India ranks third in the world in total energy consumption and needs to accelerate the development of the sector to meet its growth aspirations. The country, though rich in coal and abundantly endowed with renewable energy in the form of solar, wind, hydro and bio energy has very small hydrocarbon reserves (0.4% of the world's reserve). India, like many other developing countries, is a net importer of energy, more than 25 percent of primary energy needs being met through imports mainly in the form of crude oiland natural gas. The rising oil import bill has been the focus of serious concerns due to the pressure it hasplaced on scarce foreign exchange resources and is also largely responsible for energy supply shortages. On the consumption front, the industrial sector inaccounting for about 52 percent of commercial energy consumption. Per capita energy consumption in India is one of the lowest in the world.

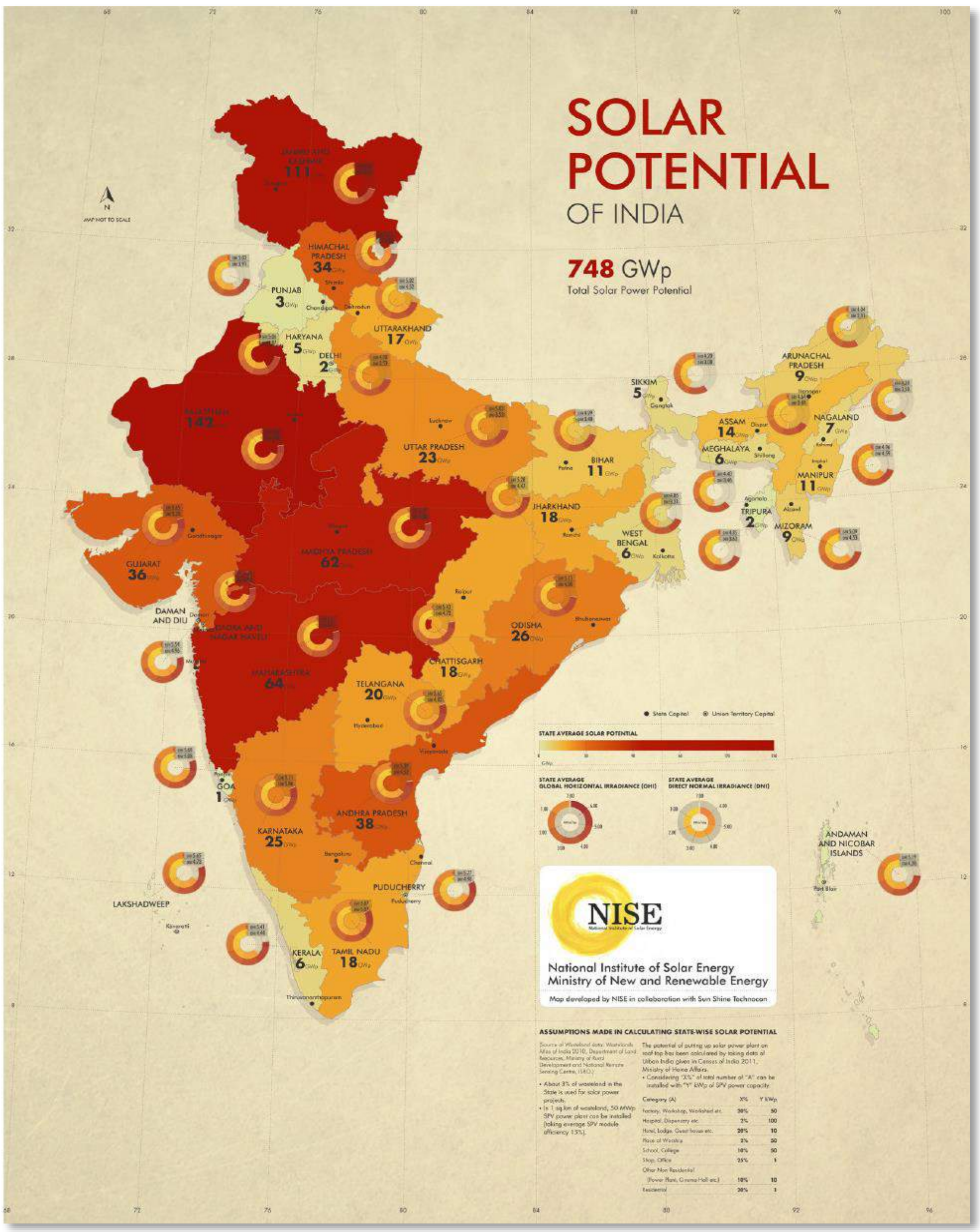
The total installed capacity of power station in India is 343898.39 MW as on May 2018. The figure below shows the installed capacity source wise.



Source: CEA monthly reports
http://www.cea.nic.in/reports/monthly/installedcapacity/2018/installed_capacity-05.pdf

Solar Potential in India

India is endowed with vast solar energy potential. About 5,000 trillion kWh per year energy is incident over India's land area with most parts receiving 4-7 kWh per sq. m per day. Hence both technology routes for conversion of solar radiation into heat and electricity, namely, solar thermal and solar photovoltaic, can effectively be harnessed providing huge scalability for solar in India. Solar also provides the ability to generate power on a distributed basis and enables rapid capacity addition with short lead times. Off-grid decentralized and low-temperature applications will be advantageous from a rural electrification perspective and meeting other energy needs for power and heating and cooling in both rural and urban areas. From an energy security perspective, solar is the most secure of all sources, since it is abundantly available. Theoretically, a small fraction of the total incident solar energy (if captured effectively) can meet the entire country's power requirements. It is also clear that given the large proportion of poor and energy un-served population in the country, every effort needs to be made to exploit the relatively abundant sources of energy available to the country. While, today, domestic coal based power generation is the cheapest electricity source, future scenarios suggest that this could well change.
(Source: MNRE https://mnre.gov.in/solar)



(*Source: National Institute of Solar Energy, Ministry of New & Renewable Energy*)

GOVERNMENT POLICIES

India is endowed with vast potential of solar power and the Government and many private organizations are keen to tap this resource to improve the availability of power by promoting the establishment of solar energy based power projects, both grid-connected and off-grid type. There is tremendous scope for the development of renewable energy technologies in India. Many renewable power projects are being implemented by various Government and private organizations, realizing this vast potential. Today India is fast becoming one of the world's most attractive markets for Renewable Energy investments.
Karnataka Solar Policy (2014) envisaged development of 200 MW solar projects by 2021 through incentives such as tariff based competitive bidding, power purchase at pooled cost for REC projects etc.Madhya Pradesh Solar Policy offered incentives such as contract demand reduction for industries with captive solar power plants, allocation of government land, exemption of 50%stamp duty for private land purchase, 4% grant in wheeling charges, 10 year exemption from electricity duty, banking of energy, VAT exemption, CDM benefits etc.
(Source: Project Report submitted to company by MITCON Consultancy)

FUTURE PROSPECTS:

The Government of India is committed to increased use of clean energy sources and is already undertaking various large-scale sustainable power projects and promoting green energy heavily. In addition, renewable energy has the potential to create many employment opportunities at all levels, especially in rural areas. The Ministry of New and Renewable Energy (MNRE) has set an ambitious target to set up renewable energy capacities to the tune of 175 GW by 2022 of which about 100 GW is planned for solar, 60 for wind and other for hydro, bio among other. India will need investments of around US$ 125 billion to reach this target.

It is expected that by the year 2040, around 49 per cent of the total electricity will be generated by the renewable energy, as more efficient batteries will be used to store electricity which will further cut the solar energy cost by 66 per cent as compared to the current cost. Use of renewables in place of coal will save India ₹ 54,000 crore (US$ 8.43 billion) annually.
(Source: https://www.ibef.org/industry/renewable-energy.aspx)

SUMMARY OF BUSINESS

OVERVIEW

Our Company was incorporated on March 17, 1993 as "Katwa Udyog Limited" under the provision of the Companies Act, 1956. The name of the Company was changed to Shri Keshav Cements and Infra Limited and a fresh certificate of incorporation dated November 07, 2007 was obtained. The registered office of our company is situated at Jyoti Towers, 215/2, Karbhar Street, Nazar Camp, Vadgaon, Belgaum- 590 005.
Our Business segment can be divided into following segments:

1) Manufacturing and TradinginCement;
2) Generation of Electricity using Solar Power; and
3) Trading in Coal and Dealing in Petrol and Diesel.

Our cement plants and petrol pump are located at Bagalkot district, Karnataka and our solar power plant is located at Koppaldistrict Karnataka.

1. Cement Division

Presently we operate two cement manufacturing units, one operating with Vertical Shaft Klin (VSK) technology having a capacity of 300 TPD located in Kaladgi village, Bagalkot district **("PLANT 1")** and another unit operating with Rotary Klin technology having production capacity of 800 TPD located at Naganapur Village Bagalkot district ("**PLANT 2"**).

Our company began its business by taking over a 20 TPD sick cement plant from KSFC in a public auction in April 1993 which was located at Kaladgi village, Bagalkot, Karnataka **("PLANT 1")**. The said plant was refurbished and it restarted production in July 1993. Thereafter, further capacity of 130 TPD was added at the same site & commercial production was commenced in Aug 1995 having clinker capacity of 150TPD and Cement crushing capacity of 150 TPD. It has later been increased to 300 TPD cement capapity.

During 2007 we took over one more sick unit from Debt Recovery Tribunal (DRT) Pune having a clinker and cement capacity of 200 TPD and located at Naganapur village, Bagalkot, Karnataka ("**PLANT 2"**). Soon after takeover, we revived the plant & made it fully operational. The plant was further refurbished to reduce the cost of Production.

In the year 2017, our company embarked on a major expansion plan for cement manufacturing plant located at Naganapur village, Bagalkot, Karnataka ("PLANT 2"). The said plants clinker capacity was increased from 200 TPD to 700 TPD and cementing capacity from 200 TPD to 800 TPD. The total cost of the project was ` 61.13 crores and the same was funded through Term loan from Syndicate Bank for an amount of ` 41.40 crores, balance by way of Unsecured loan from promoter(s) / promoter(s) group entities and internal accruals. The said expansion project was completed during March 2018.

2. Solar Power Division

The cement industry is highly energy intensive and power cost constitutes around 30% of the total manufacturing cost. The current power requirement of our cement plants is 12MW. To reduce the power cost at the plant, our company has set up a 20 MW PV based solar plant at Bisarhalli Village, Koppal, Karnataka, India. The said plant was set up at a cost of of ₹119.29 crores and was funded by term loan from Syndicate bank to the extent of ₹80.00 crores & balance through promoter's contribution as unsecured loan and Internal sources. The solar power plant has been commissioned since March 31, 2018.

The setting up of this solar plant has benifited our company by reduction in the power cost from ₹ 7.80 per unit to ₹ 2.70 per unit. Additionaly, the surplus power supplied to the third party will benefit us in the form of additional revenue. We have entered into an agreement/work order dated August 21, 2017 with Enrich Energy Pvt. Ltd. (Enrich) for providing operations and maintenance services of the solar plant. As per the agreement/work order O&M services shall be provided by Enrich for 10 years with option with the company to renew for another 15 years. The plant performance is guaranteed by Enrich with reward/penalties based on guaranteed performance. The minimum guarantee provided is 79% of Performance ratio.

Apart from the above, due to our successfully commissioning the solar plant by March 31, 2018, we have received following benefits.

1. Karnataka Power Transmission Company Limited **("KPTCL")** charges 7% of units procuded as Wheeling and Banking charge. We are exempt from the said charges for a period of 10 years. This will save the cost nearly to the extent of ₹160 lakhs p.a.
2. Due to the exemption from Cross Subsidy charges for 10 years, we would be in a position to enjoy competitive advantage leading to better net realisation.

3. <u>Trading in Coal and Dealing in Petrol and Diesel</u>

Our Company has also trading interest in Coal, Petrol and Diesel. The Company operates Petroland Diesel pump from the factory premise at Plant 2. The petrol & diesel pump was erected by the Company in the year 2010. During the Fiscal of 2018, we generated ₹1,102.84 lakhs as gross receipts from the sale of coal, petrol and diesel.

OUR COMPETITIVE STRENGTHS

We believe that the following are our competitive strengths.

1) Proven and experienced management team

2) Strategic location of our manufacturing facility

3) Popular brand in regional market

4) Focus on efficient use of technology & chemical properties of components

5) Strong sales and marketing network

6) Low cost of Production due to installation of solar power plant

OUR STRATEGIES

Cement is a product characterised by higher percentage of variable cost compared to fixed cost. Towards achieving the strategy of reducing the variable cost of production, our company has set up the 20 MW solar power plant thereby shifting the power cost in variable component to fixed cost. On an average we estimate the savings to the tune of 20% in total manufacturing cost. We have also recently completed our expansion programme of increasing the manufacturing capacities to 1100 TPD. Going forward our strategy is to focus on larger volumes and create large market area. We believe that creating a large geographical area hedges the risks of sales in a small geographical area. We intend to continue to leverage our experience and relationships with our customers to expand and diversify.

OUR PRODUCTS

Ordinary Portland Cement

Set out below are the two grades of Ordinary Portland Cement sold by our Company.

53 Grade OPC

This grade of cement is widely used in plain and reinforced cement concrete, masonry and plastering, for bridge piers, pre- stressed girders and electric poles, concrete pipes, pre- cast concrete, pre- stressed concrete, slip formed concrete, tall building and structures, R.C.C bridges, for cement concrete roads, for structural repairs and grouting, pre- stressed works, precast element, bridges, atomic power stations, railway sleepers, silos RCC pipe etc.

43 Grade OPC

This grade of cement is widely used for all general and semi-specialized constructions like columns, beams, slabs and all structural works, manufacture of concrete blocks and tiles, brick and stone masonry, plastering and flooring, plain and RCC, precast, pre stressed slip formed concrete jobs, and commercial buildings, industrial constructions, multi- storied complexes, cement concrete roads, heavy duty floors etc.

A) ***Cement Manufacturing: - Process***

The brief write up on the manufacturing process of manufacturing clinker and cement is as givenhereinunder. Cement is primarily a processed mixture of limestone, sand, shale, clay and iron ore, with limestone being the major raw material.

(i) Manufacturing Clinker

Stage 1

Procurement of Limestone from Mines:- Limestone is procured from mines and transported for crushing.

Crushing:- Here the limestone is crushed to make particles suitable for blending and storage. At the crushing plant, a series of crushers and screens reduce the limestone rocks to a size less than 6 mm.

Stage 2

Raw mill grinding :- Raw material grinding is carried out through a dry process, wherein, each of the raw materials is fed in the right proportion to attain the desired chemical composition before being fed to a rotating ball mill. The raw materials are then dried with waste process gases and ground to less than 90 microns in size. The resultant mixture of material is known as 'raw meal'.

Blending and storage:- The raw meal is stored in a vertical continuous blending cum storage silo where it is pneumatically blended to ensure a uniform chemical composition. The thoroughly homogenized mixture is then fed to the pre heater.

Coal Crushing and Grinding:- The coal is blended to achieve a uniform heat value. The coal mixture is then crushed and ground in a ball mill up to 90 microns in size and stored in fine coal hoppers.

Stage 3

Pre-heating stage and kiln:- Pyroprocessing is carried out in a 5 stage preheater, calciner and rotary kiln with cooler. It takes place inside the pre-heater tower.

Raw meal from the storage silo is extracted at a defined rate and fed at the top of the pre-heater tower while being subjected to higher temperatures at every single stage of the 5 stages. High temperatures free the raw meal of all moisture and also do the preheating. After 4 stages, the raw meal enters the 'calciner' wherein calcium carbonate in the raw meal is decomposed into calcium oxide and carbon dioxide. The material is then fed to rotary kiln. The pre-heater tower and rotary kiln are made of a steel casing and lined with special refractory materials to protect it from not only the high temperatures in the kiln but also from reactions with the raw meal and gases in the kiln, abrasion and mechanical stresses induced by deformation of the kiln shell as it rotates.

In the kiln, the calcination process is completed as the raw meal burns at 1,450 degree Celsius with fine coal fed through the kiln outlet and calciner. The raw material inside the kiln liquefies. During this heat treatment of raw meal, calcium oxide reacts with silica, alumina and iron oxides to form crystals of calcium silicates, calcium aluminates and calcium alumino ferrites etc. This process is called sintering. The reaction results in nodular product known as ‘clinker’ which has the desired hydraulic properties.

(ii) Manufacturing Clinker to Cement

Stage 4

Final Grinding and blending :- The clinker along wih gypsum and fly-ash are grounded together in ball mills in defined proportions to form the final cement products. Fineness of the final products, amount of gypsum added, and the percentage of fly-ash added are all varied to develop the product variants and different grades of cement.

UTILITIES

(i) Raw Materials

For the purpose of manufacturing of cement, the main raw material used are Limestone, Coal, Gypsum, Iron ore and Fly Ash. Lime stone constitutes 95% of the total raw material requirement. Limestone is sourced from nearby mines at Lokapur thereby reducing transportation cost. The other raw materials are also sourced from areas such as Gypsum from Tuticorin, Tamilnadu, Coal from Mangalore Port, Fly Ash from Raichur in North Karnataka, and Iron Ore from local nearby mines.

(ii) Water

Cement units do not consume large quantity of water. Water is used for abetting dust, and minimizing of dust pollution due to plying of vehicles in the plant. We have constructed overhead water tank of 35000 litre, which is used for both industrial and domestic requirements.

(iii) Power

Power is a major component in the manufacturing of cement. The sanction load by the HESCOM is 1.25 MW for Plant 1 and 4.5 MW for Plant 2.

(iv) Capacity & Capacity Utilisation

The table below sets out our installed capacity and capacity utilization for the past three years as well as the future 3 years.

Particulars	**FY 2015-16**	**FY 2016-17**	**FY 2017-18**
Installed Cement Capacity(TPD)	350	350	350
Cement Production	113616	104011	101175
Utilization Level	98%	90%	88%

Particulars (Projected)	**FY 2018-19**	**FY 2019-20**	**FY 2020-21**
Installed Cement Capacity(TPD)	1100	1100	1100
Cement Production	254000	290400	326500
Utilization Level	70%	80%	90%

(B) Generation of Electricity from Solar Power

Power supply is the crucial factor in manufacturing of cement. To overcome this, we have installed Solar Power plant of 20 MW capacity at Bisarhalli Village, Koppal District, Karnataka which commenced on March 31, 2018.

Process:-

1) Installation of Solar Panels/Modules, Construction of Transformers and Meter Rooms

Our Company has installed solar PV modules, inverters, junction boxes, mounting structure and monitoring and data acquisition system. These modules are IEC certified. PV plant is designed for number of strings connected to inverters forming a modular plot. Each inverter takes load of strings. There are dedicated earthing stations for transformer, MV switch boards and high voltage panels.

2) Electricity Generation

Poly-crystalline solar photo-voltaic ("**SPV**") cells are manufactured from silicon wafers utilizing crystalline silicon SPV cell technology for converting sunlight directly into electricity through a process known as the "photo-voltaic effect". The electricity generated in solar panel is transmitted through cabling to inverter room.

The 20 MW solar PV plant has been configured into 4 modular plots, each comprising of 5 MW of solar PV with two 2500 kW inverters located at the center of the each plot.

The PV modules are electrically connected with cables sized to minimize DC losses. The DC electrical output from the PV modules is fed through solar PV grade cables to junction boxes leading to inverters. The inverters convert the DC electrical output to AC. The cable routes from inverter leads to the MV transformers stepping up voltage to 110 kV.

3) Monitoring and SCADA System

The power plant is incorporated with a communication system to monitor the output of each string and inverter so that system faults can be detected and rectified before they have an appreciable effect on production. All the String Combiner Boxes, inverters, RMUs, MV Switchgear, switchyard equipments and utility metering shall be integrated with SCADA system.

SCADA system shall include Supervisory Station which refer to the server and software responsible for communicating with the field equipments, and then to the HMI software running on workstations in the control room, or elsewhere. An external communications link shall be provided to access all data acquisition and real time performance monitoring.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Financial Information as of and for the years ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018. These financial statements have been prepared in accordance with Indian AS for years ended March 31, 2016, March 31, 2017 and March 31, 2018 and in accordance with Indian GAAP for March 31, 2014 and March 31, 2015 applicable provisions of the Companies Act and restated in accordance with the SEBI ICDR Regulations, and are presented in the section titled "Financial Statements". The summary financial information presented below should be read in conjunction with our Restated Financial Information, the notes thereto and the section titled *"Management's Discussion and Analysis of Financial conditions and Results of Operations"*

[The rest of this page has been intentionally left blank]

ANNEXURE- I

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Amount Rupees in Lakhs)

Particulars	Note	As at 31 March 2018	As at 31 March 2017
ASSETS			
NON- CURRENT ASSETS			
Property, plant and equipment	1	9,097.86	7,691.35
Capital work-in-progress		10,446.72	10.48
Financial assets			
i) Other non-current financial assets	2	195.35	169.37
Total Non- Current Assets		19,739.93	7,871.19
CURRENT ASSETS			
Inventories	3	1,571.87	1,170.75
Financial assets			
i) Trade receivable	4	600.59	324.00
ii) Cash and cash equivalents	5	176.33	588.11
iii) Other current financial assets	6	14.75	65.19
Other current assets	7	1,127.07	359.06
Total Current Assets		3,490.62	2,507.11
Total Assets		23,230.54	10,378.30
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	8	512.42	512.42
Other Equity	9		
i)General Reserve		592.05	592.05
ii) Retained Earnings/surplus		779.95	950.02
iii) Other comprehensive income		(20.86)	(17.26)
Total Equity		1,863.57	2,037.23
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	10	9,742.16	3,482.08
ii) Other non-current financial liabilities			
Deferred Tax Liabilities (Net)	12	1,030.57	839.08
Total Non-Current Liabilities		10,772.72	4,321.16
Current liabilities			
Financial liabilities			
i) Borrowings	11	5,717.45	2,391.23
ii) Trade payables	13	214.53	424.38
iii) Other current financial liabilities	14	4,392.66	909.04
Other current liabilities	15	235.14	159.91
Provisions	16	34.48	135.35
Total Current Liabilities		10,594.25	4,019.91
Total liabilities		21,366.98	8,341.06
Total Equity and Liabiltiies		23,230.54	10,378.30

SINGHI & CO. Chartered Accountants

ANNEXURE- I (Contd..)

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

		Adjustments		*(Rupees in Lakhs)*
Particulars	As at 01-04-16 IGAAP	Reclassification	Ind AS Adjustments	As at 01-04-16 Ind AS
ASSETS				
NON- CURRENT ASSETS				
Property, plant and equipment	3,897.10	-	-518.49	3,378.61
Capital work-in-progress				
Financial assets	840.82	-	-	840.82
ii) Loans				
iii) MAT Credit Entitlement				
i) Other non-current financial assets	119.53	28.65	-	148.18
Total Non- Current Assets	4,857.44	28.65	-518.49	4,367.60
CURRENT ASSETS				
Inventories	643.70	-	-	643.70
Financial assets				
i) Trade receivable	96.56	-	-	96.56
ii) Cash and cash equivalents	19.75	-		19.75
iii) Other current financial assets	314.38	-291.05	-20.39	2.94
Other current assets	-	262.40	-	262.40
Total Current Assets	1,074.39	-28.65	-20.39	1,025.35
Total Assets	5,931.83	-0.00	-538.88	5,392.95
EQUITY AND LIABILITIES				
EQUITY				
Equity Share capital	512.42	-	-	512.42
Other Equity	-	-	-	-
i)General Reserve	195.86	-164.87	-	30.99
ii) Retained Earnings/surplus	1,278.22	-	-441.83	836.38
iii) Other comprehensive income	-	-	-4.86	-4.86
Total Equity	1,986.49	-164.87	-446.69	1,374.93
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i) Borrowings	424.05	-368.08	0.52	56.49
ii) Other non-current financial liabilities	-	-	-	-
Deferred Tax Liabilities (Net)	576.96	164.87	-99.72	642.11
Total Non-Current Liabilities	1,001.00	-203.21	-99.20	698.60
Current liabilities				
Financial liabilities				
i) Borrowings	2,312.40	-62.30	-	2,250.10
ii) Trade payables	215.38	-	-	215.38
iii) Other current financial liabilities	-	430.38	2.84	433.22
Other current liabilities	147.18	-	-	147.18
Provisions	269.37	-	4.18	273.55
Total Current Liabilities	2,944.33	368.08	7.01	3,319.43
Total liabilities	3,945.33	164.87	-92.18	4,018.02
Total Equity and Liabiltiies	5,931.83	-	-538.88	5,392.95

SINGHI & CO. Chartered Accountants

ANNEXURE-II

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Amount Rupees in lakhs)

	Particulars	Note No.	For the Year ended 31 March,	
			2018	2017
I	Revenue from operations	17	5,205.22	5,156.93
II	Other income, net	18	32.48	53.84
III	**Total Income (I+II)**		**5,237.70**	**5,210.77**
IV	**EXPENSES**			
	Cost of Materials Consumed	19	978.09	1,281.95
	Purchase of stock in trade	20	1,654.24	688.80
	Change in inventories of Finished Goods and Stock in Trade	21	(43.47)	(0.96)
	Other Manufacturing Expenses	22	1,203.13	1,012.39
	Employee benefit expense	23	290.12	247.41
	Finance Costs	24	89.22	316.75
	Investment Allowance		-	520.52
	Depreciation and amortisation expenses		651.57	438.58
	Other expenses	25	386.32	395.92
	Total Expenses (IV)		**5,209.23**	**4,901.37**
V	**Profit/(Loss) before exceptional items and tax (I-IV)**		**28.47**	**309.40**
VI	Exceptional items		-	-
VII	**Profit/(Loss) before tax (V-VI)**		**28.47**	**309.40**
VIII	**Tax expense:**			
	Current Tax		(8.80)	(13.04)
	Deferred Tax		(191.49)	(120.10)
IX	**Profit/(Loss) for the period from continuing operation (VII-VIII)**		**(171.82)**	**176.27**
X	**Profit/(loss) from discontinued operations**		-	-
XI	**Profit/(Loss) for the period (IX-X)**		**(171.82)**	**176.27**
XII	**Other Comprehensive Income**			
	Items that will not be reclassified subsequently to profit or loss			
	Remeasurement of the net defined benefit liability/asset		(3.60)	(12.39)
	Items that will be reclassified subsequently to profit or loss		-	-
	Total other comprehensive income, net of tax		(3.60)	(12.39)
XIII	**Total comprehensive income, for the period (XI+XII)**		**(175.42)**	**163.87**
XIV	**Earnings per equity share (for discontinued & continuing operations)**			
	Earnings attributable to equity shareholders		(175.42)	163.87
	Weighted average No. of equity shares		51.24	51.24
	Basic & Dilutive EPS (Amount Rs. Per Share)		**(3.42)**	**3.20**

SINGHI & CO. Chartered Accountants

ANNEXURE-II (Contd..)
SHRI KESHAV CEMENTS & INFRA LIMITED
CIN: L26941KA1993PLC014104
Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Amount Rupees in lakhs)

	Particulars	For the Year ended 31 March, 2016		
		IGAAP	Ind AS Adjustments	Ind AS
I	Revenue from operations	5,984.01		5,984.01
II	Other operating revenues	17.49		17.49
III	**Total Income (I+II)**	**6,001.51**		**6,001.51**
IV	**EXPENSES**			
	Cost of Materials Consumed	2,351.11		2,351.11
	Purchase of stock in trade	546.33		546.33
	Change in inventories of Finished Goods and Stock in Trade	(17.60)		(17.60)
	Other Manufacturing Expenses	1,191.98		1,191.98
	Employee benefit expense	138.04	(24.57)	113.48
	Finance Costs	333.56	(3.36)	330.20
	Investment Allowance	-		-
	Depreciation and amortisation expenses	293.63	(518.49)	(224.86)
	Other expenses	535.41		535.41
	Total Expenses (IV)	**5,372.47**		**4,826.05**
V	**Profit/(Loss) before exceptional items and tax (I-IV)**	**629.04**		**1,175.46**
VI	Exceptional items	-		-
VII	**Profit/(Loss) before tax (V-VI)**	**629.04**		**1,175.46**
VIII	**Tax expense:**			
	Current Tax	192.00		192.00
	Deferred Tax	14.86	99.72	114.58
IX	**Profit/(Loss) for the period from continuing operation (VII-VIII)**	**422.18**		**868.88**
X	**Profit/(loss) from discontinued operations**	-		-
XI	**Profit/(Loss) for the period (IX-X)**	**422.18**		**868.88**
XII	**Other Comprehensive Income**			
	Items that will not be reclassified subsequently to profit or loss			
	Remeasurement of the net defined benefit liability/asset		(4.86)	(4.86)
	Items that will be reclassified subsequently to profit or loss	-		-
	Total other comprehensive income, net of tax			
XIII	**Total comprehensive income, for the period (XI+XII)**	**422.18**		**864.01**
XIV	**Earnings per equity share (for discontinued & continuing operations)**			
	Earnings attributable to equity shareholders	422.18		864.01
	Weighted average No. of equity shares	51.24		51.24
	Basic & Dilutive EPS (Amount Rs. Per Share)	**(3.42)**		**3.20**
	Basic & Dilutive EPS (Amount Rs. Per Share)	8.24		16.86

SINGHI & CO. Chartered Accountants

ANNEXURE- III

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

RESTATED STANDALONE STATEMENT OF CASH FLOWS

(Amount Rupees in Lakhs)

	Particulars		For the Year ended 31 March 2018	For the Year ended 31 March 2017	For the Year ended 31 March 2016
A	**Cash fow from operating activities**				
	Net Profit / (Loss) from continuing operations before tax from				
	Continuing Operations		28.47	309.40	1,175.46
	Discontinued Operations		-		
	Profit before income tax including discontinued operations		**28.47**	**309.40**	**1,175.46**
	Adjustments for:				
	Depreciation and amortisation expense		651.57	438.58	(224.86
	Finance Cost		89.22	316.75	(3.36
	Interest income classified as investing cash flow		(32.48)	(53.84)	
	Investment allowance		-	520.52	
	Provision for gratuity		7.34	6.24	(24.57
	Changes in operating assets and liabilities :				
	(Increase)/Decrease in trade receivables		(276.59)	(227.44)	126.24
	(Increase) in inventories		(401.13)	(527.05)	452.24
	(Increase) in other non current financial assets		(25.98)	(21.19)	(73.14
	(Increase) in other current financial assets		50.45	(62.25)	
	(Increase) / Decrease in other current assets		(817.68)	(106.82)	
	Increase/(Decrease) in trade payables		(209.85)	382.14	175.00
	Increase/(Decrease) in short term advances		11.56	9.18	
	Increase/(Decrease) in current liabilities and provisions		(25.65)	66.53	(73.19
	Cash generated from operations		**(950.73)**	**1,050.76**	**1,529.82**
	Taxes paid		-	(192.00)	(83.70
	Net cash inflow (outflow) from operating activities	A	**(950.73)**	**858.76**	**1,446.12**
B	**Cash fow from investing activities**				
	Payments for property, plant & equipments		(8,896.52)	(3,579.11)	(849.31
	Interest received		32.48	53.84	5.30
	Net change in margin money			-	
	Net cash inflow (outflow) from investing activities	B	**(8,864.05)**	**(3,525.27)**	**(844.01**
C	**Cash fow from financing activities**				
	Proceeds from borrowings		8,865.76	4,538.78	(625.77
	Less : Interest Paid		(990.22)	(779.25)	3.36
	Net cash inflow (outflow) from financing activities	C	**7,875.54**	**3,759.53**	**(622.41**
	Net increase/(decrease) in cash and cash equivalents	A+B+C	**(1,939.23)**	**1,093.01**	**(20.30**
	Cash and cash equivalents at the beginning of the year		(9.75)	(1,102.76)	40.05
	Exchange difference on restatement of foreign currency cash and cash equivalents		-	-	
	Cash and cash equivalents at the end of the year		**(1,948.98)**	**(9.75)**	**19.75**

Cash and cash equivalents as per above comprise of the following

Particulars	31 March 2018	31 March 2017	31 March 2016
Cash and cash equivalents	176.33	588.11	19.75
Bank Overdrafts	(2,125.31)	(597.85)	
Balance as per statement of cash flows	**(1,948.98)**	**(9.75)**	**19.75**

SINGHI & CO. Chartered Accountants

ANNEXURE- I A

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belagavi- 590005 KA

RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Amount Rupees in Lakhs)

Particulars	Note	IGAAP As at 31 March 2015	IGAAP As at 31 March 2014
EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share capital	2	512.42	512.42
(b) Reserves and Surplus	3	1,185.68	906.98
		1,698.10	1,419.40
Non-current liabilities			
(a) Long-Term Borrowings	4	724.54	780.26
(b) Deferred Tax Liabilities (Net)	5	562.10	518.15
(c) Other Long-Term Liabilities		-	-
(d) Long-Term Provisions		-	-
		1,286.64	1,298.40
Current liabilities			
(a) Short-Term Borrowings	6	2,625.69	3,214.62
(b) Trade Payables		40.38	143.84
(c) Other Current Liabilities	7	78.28	47.89
(d) Short-Term provisions	8	241.49	206.57
Total Current Liabilities		2,985.83	3,612.92
Total Equity and Liabiltiies		5,970.57	6,330.72
ASSETS			
NON- CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	9	4,182.23	4,349.09
(b) Long -term loans and advances	10	124.83	126.28
(c) Other non-current assets		-	-
Total Non- Current Assets		4,307.06	4,475.38
		-	-
CURRENT ASSETS			
(a) Current Investments		-	-
(b) Inventories	11	1,095.94	1,298.83
(c) Trade Receivables	12	222.80	168.23
(d) Cash and cash equivalents	13	40.05	36.87
(e) Short-Tem loans and advances		-	-
(f) Other current assets	14	304.73	351.41
Total Current Assets		1,663.50	1,855.34
		-	-
Total Assets		5,970.57	6,330.72
Summary of significant accounting policies	1		

SINGHI & CO. Chartered Accountants

ANNEXURE-II A
SHRI KESHAV CEMENTS & INFRA LIMITED
CIN: L26941KA1993PLC014104
Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belagavi- 590005 KA

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Amount Rupees in lakhs)

	Particulars	Note No.	IGAAP For the Year ended 31 March, 2015	2014
I	Revenue from operations			
	Sales of products		5,432.56	5,070.09
	Sales of services		-	-
	Other operating revenues		16.26	26.03
	Less : Excise Duty		352.18	274.64
			5,096.64	4,821.48
II	Other income, net	23	-	-
III	Total Income (I+II)		5,096.64	4,821.48
	EXPENSES			
	Cost of Materials Consumed	24	1,947.71	1,640.05
	Purchase of stock in trade		442.66	751.37
	Change in inventories of Finished Goods and Stock in Trade		56.99	(33.08)
	Other Manufacturing Expenses	25	1,365.79	1,235.01
	Employee benefit expense	26	106.87	72.01
	Finance Costs	27	406.71	457.56
	Depreciation and amortisation expenses		293.51	280.71
	Other expenses	28	58.10	76.96
IV	Total Expenses (IV)		4,678.34	4,480.60
V	**Profit/(Loss) before exceptional items and tax (I-IV)**		418.29	340.88
VI	Exceptional items		-	-
VII	**Profit/(Loss) before tax (V-VI)**		418.29	340.88
VIII	**Tax expense of continuing operations:**		127.65	178.80
	Current Tax		83.70	68.20
	MAT credit Entitlement		-	-
	Deferred Tax		43.95	110.60
IX	**Profit/(Loss) for the period from continuing operation (VII-VIII)**		290.64	162.08
X	**Profit/(loss) from discontinued operations**			
XI	**Profit/(Loss) for the period (IX-X)**		290.64	162.08
XII	**Earnings per equity share (for discontinued & continuing operations)**			
	Basic		6.53	5.32
	Diluted		6.53	5.32

SINGHI & CO. Chartered Accountants

ANNEXURE- III A

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belagavi- 590005 KA

RESTATED STANDALONE STATEMENT OF CASH FLOWS

(Amount Rupees in Lakhs)

	Particulars		IGAAP For the Year ended 31 March 2015	IGAAP For the Year ended 31 March 2014
A	**Cash fow from operating activities**			
	Net Profit / (Loss) from continuing operations before tax from			
	Continuing Operations		418.29	340.88
	Discontinued Operations		-	
	Profit before income tax including discontinued operations		**418.29**	**340.88**
	Adjustments for:			
	Depreciation and amortisation expense		293.51	280.71
	Finance Cost		406.71	457.56
	Changes in operating assets and liabilities :			
	(Increase)/Decrease in trade receivables		(54.66)	37.06
	(Increase) in inventories		202.89	97.45
	Increase/(Decrease) in trade payables		(103.46)	9.97
	Cash generated from operations		**1,163.28**	**1,223.63**
	Taxes paid		-	-
	Net cash inflow (outflow) from operating activities	A	**1,163.28**	**1,223.63**
B	**Cash fow from investing activities**			
	Purchase of Fixed Assets		(126.66)	(330.19)
	Investments		(18.47)	(11.05)
	Loan & Advances		1.45	(75.89)
	Net cash inflow (outflow) from investing activities	B	**(143.67)**	**(417.13)**
C	**Cash fow from financing activities**			
	Proceeds from borrowings		(55.72)	(261.78)
	Increase/Decrease in the unsecured loans		(588.93)	(103.49)
	Less : Interest Paid		(406.71)	(457.56)
	Increase/Decrease in provision		34.92	(49.97)
	Net cash inflow (outflow) from financing activities	C	**(1,016.44)**	**(872.79)**
	Net increase/(decrease) in cash and cash equivalents	A+B+C	**3.18**	**(66.29)**
	Cash and cash equivalents at the beginning of the year		36.87	103.16
	Cash and cash equivalents at the end of the year		**40.05**	**36.87**

SINGHI & CO. * Chartered Accountants *

THE ISSUE

The Issue has been authorized by the Board at its meeting held on September 21, 2017 and the object of the issue was modified by the Board at its meeting held on July 11, 2018.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in "*Terms of the Issue*" on page 220 of this Draft Letter of Offer.

Securities being offered by our Company	Upto [●] Equity Shares
Rights Entitlement	[●] Equity Shares for every [●] fully paid-up Equity Shares held on the Record Datei.e. [date]
Record Date	[●]
Face Value per Rights Equity Shares	₹ 10 each
Issue Price per Rights Equity Share	₹[●] per Rights Equity Shares including a premium of ₹[●] per Rights Equity Share
Equity Shares outstanding prior to theIssue	51,24,200 Equity Shares of Face value ₹10 each
Voting Rights and Dividend	The Equity Shares issued pursuant to the issue shall rank *pari passu* in all respects with the existing Equity Shares of our Company.
Issue size	Issue of upto [●] Equity Shares of face value of ₹ [●] Each for cash at a price of ₹ [●] (Including a premium of ₹ [●] per Rights Equity Share) per Rights Equity Share not exceeding an amount ₹3,500 lakhs
EquityShares outstandingaftertheIssue	[●] Equity Shares
Terms of the Issue	Please see the chapter entitled *'Terms of the Issue'* on page 220 of this Draft Letter of Offer.
Use of Issue Proceeds	For further information, please see the chapter entitled *'Objects of the Issue'* on page 67 of this Draft Letter of Offer.
ISIN Code	INE260E01014
BSE Scrip Code	530977

Payment terms

The payment terms are as follows:

Due Date	Amount
On Application of Rights Equity Shares	₹[●] per Rights Equity Share which constitutes 100% of the Issue Price.

GENERAL INFORMATION

Our Company was incorporated as "Katwa Udyog Limited" on March 17, 1993, as a public limited company under the Companies Act, 1956, registered with the Registrar of Companies, Karnataka. The name of our Company was changed to "Shri Keshav Cements & Infra Limited" pursuant to which a fresh certificate of incorporation was issued on November 07, 2007. For details, including reasons for the change in the name of our Company, see "History and Certain Corporate Matters" on page 103.

REGISTERED OFFICE OF OUR COMPANY

Shri Keshav Cements and Infra Limited
Jyoti Tower, 215/2, 6th Cross Nazar Camp
Karbhar Galli, Madhavpur Vadgaon
Belagavi, Karnataka - 590 005, India
Tel: 0831-2484412, 2483510
Fax: 0831-2484421
Website: www.keshavcement.com
Email: info@keshavcement.com
Corporate Identification No: L26941KA1993PLC014104

ADDRESS OF THE REGISTRAR OFCOMPANIES

The Registrar of Companies, Karnataka
E Wing, 2nd Floor,
Kendriya Sadan, Kormangala,
Bengaluru, Karnataka 560034

BOARD OF DIRECTORS

Our Board comprises of:

Name, Designation and Occupation	Date of Birth	DIN	Address
Mr. Venkatesh Hanamantsa Katwa *Chairman Executive Director*	August 04, 1973	00211504	Anusuya Niwas, II Cross Adarsh Nagar, Vadgaon, Belagavi 590005, Karnataka, India.
Mr. Vilas Hanamantsa Katwa *Managing Director*	September 10, 1976	00206015	Anusuya Niwas, II Cross Adarsh Nagar, Vadgaon, Belagavi590005, Karnataka, India.
Mr. Deepak Hanamantsa Katwa *Chief Financial Officer cum Executive Director*	September 19, 1978	00206445	Anusuya Niwas, II Cross Adarsh Nagar, Vadgaon, Belagavi 590005, Karnataka, India.
Mr. Satish Duttusa Kalpavriksha *Non-Executive Independent Director*	April 18, 1955	06679314	Plot No.40 10th Cross, Bhagyanagar Road, Hindwadi, Belagavi 590011, Karnataka, India.
Mr. Balasaheb Anantrao Mestri *Non-Executive Independent Director*	June 05, 1954	07898493	Flat No.301 Sai Towers RC Nagar Belgavi 590006 Karnataka, India.
Ms. Radhika Dewani Pinal*Non-Executive Independent Director*	June 27, 1977	07997099	08, Santosh Mrutyunjay Nagar, Tilakwadi, Belagavi-590006

BRIEF PROFILE OF THE BOARD OF DIRECTORS

Please see "*Our Management*" on page 109 of this Draft Letter of Offer.

COMPANY SECRETARY& COMPLIANCE OFFICER

Mr. Santhosh Shadadal
42/A, Amalazari, Taluka: Bilagi, Dist: Bagalkot 587121
Tel: +91 9448289762
Email: secretary@keshavcement.com

CHIEF FINANCIAL OFFICER

Mr. Deepak H. Katwa
AnusuyaNiwas, II Cross Adarsh Nagar,
Vadgaon, Belgaum 590 005 Karnataka
Tel:0831 – 2484412 /2483510
Fax: 0831- 2484421
Email:deepakkatwa@keshavcement.com

LEAD MANAGER TO THE ISSUE

Keynote Corporate Services Limited
The Ruby, 9th Floor,
Senapati Bapat Marg, Dadar (W)
Mumbai 400 028Maharashtra, India.
Tel: +91 22 3026 6000-3
Fax: +91 22 30266088
E-mail: mbd@keynoteindia.net
Website:www.keynoteindia.net
Contact Person: Ms. Pooja Sanghvi / Mr. Amlan Mahajan
SEBI Registration Number: INM 000003606

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building
Opp. Vasant Oasis, Makwana Road Marol,
Andheri (East) Mumbai 400059.
Tel: +91 22 6263 8200
Fax: +91 22 6263 8299
Email: ipo@bigshareonline.com
Contact Person: Ashok Shetty
Website: www.bigshareonline.com
SEBI Registration Number: INR000001385

LEGAL ADVISORS TO THE ISSUE

Mindspright Legal
505, C-Wing, Trade World, Kamla City, Senapati Bapat Marg,
Lower Parel (West), Mumbai – 400013
Tel: +91-22-4002 0558,
Fax: +91-22-40020664
E-mail: amit@mindspright.co.in
Contact Person: Mr. Amit Bikram Dey

STATUTORY AUDITORS OF OUR COMPANY

Singhi & Co.
No. 114/1, Sai Complex, 3rd Floor, M.G. Road
Bangalore- 560001, Karnataka
Tel: 080-25585587
Firm Registration No: 302049E
Email: bangalore@singhico.com
Contact Person: Mr. Vijay Jain

BANKERS TO OUR COMPANY

Syndicate Bank, Camp Branch, Belgavi.
Bc-178, Havelock Road, Camp, Belagavi,
Belagavi, Karnataka - 590 001
Tel: 0831-2405053
Email: br.0502@syndicatebank.co.in
Contact Person: Mr. Vinayak N. Patil

Saraswat Co-operative Bank Limited
Sogo Properties, 1st Floor, Site No. 47,
100 Ft. Road, 4th Block, Ward No. 68**,** Kormangala Extension,
Bengaluru- 560034, Karnataka
Tel: 080-40933173
Email: vm_chandgarkar@saraswatbank.com
Contact Person: V. M Chandgadkar

BANKERS TO THE ISSUE
[●]

Self Certified Syndicate Banks

All QIBs and Non-Institutional Investors must mandatorily and Retail Individual Investors may optionally apply through the ASBA process provided that they hold Equity Shares as on the Record Date i.e; [●] in dematerialized form. The ASBA Investors are required to fill the ASBA Form and submit the same to their Self Certified Syndicate Banks ("SCSB") which in turn will block the amount as per the authority contained in the ASBA Form and undertake other tasks as per the specified procedure. The list of banks that have been notified by SEBI to act as SCSB for the ASBA Process are provided in the SEBI website at http://www.sebi.gov.in/pmd/scsb.html. Details relating to designated branches of SCSBs collecting the ASBA forms are available at the above mentioned link. On allotment, the amount would be unblocked and the account would be debited only to the extent required to pay for the Equity Shares allotted.

For further details on the ASBA process, please refer to details given in ASBA form and also see "Terms of the Issue" on page 220 of this Draft Letter of Offer.

Investors may please contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-issue /post-issue related matter such as non-receipt of Abridged Letter of Offer / CAF / letter of allotment / share certificate(s)/ credit of allotted shares in the respective beneficiary account / refund orders etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, 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 SCSB where the CAF was submitted by the ASBA Investors.

Statement of inter-se allocation of responsibilities of the Lead Manager

Keynote Corporate Services Limited is the sole Lead Manager to this issue and hence Inter-se allocation of responsibilities is not applicable. However, the list of major responsibilities of Keynote Corporate Services Limited inter alia, is as follows:

Sl No.	Activity
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments.
2.	Drafting and design of the offer document and of advertisement / publicity material including newspaper advertisements and brochure / memorandum containing salient features of the offer document. To ensure compliance with the SEBI Regulations and other stipulated requirements and completion of prescribed formalities with Stock Exchange and SEBI.
3.	Marketing of the issue will cover, inter alia, preparation of publicity budget, arrangements for selection of (i) ad-media, (ii) bankers to the issue, (iii) collection centers (iv) distribution of publicity and issue material including composite application form and the Abridged Letter of Offer and the Draft Letter Of Offer to the extent applicable.
4.	Selection of various agencies connected with the issue, namely Registrar to the Issue, Bankers to the Issue, printers, and advertisement agencies, etc.
5.	Follow-up with bankers to the issue to get quick estimates of collection and advising the issuer about closure of the issue, based on the correct figures.
6.	The post-issue activities will involve essential follow-up steps, which must include finalization of basis of allotment / weeding out of multiple applications, listing of instruments and dispatch of certificates and refunds, with the various agencies connected with the work such as registrars to the issue, bankers to the issue, and bank handling refund business. Even if many of these post-issue activities would be handled by other intermediaries, the Lead Manager shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with the Issuer.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Issue Opening Date:	[●]
Last date for receiving requests for SAFs:	[●]
Issue Closing Date:	[●]

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section 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

Credit rating

As the Issue is a rights issue of equity shares, no credit rating is required.

Monitoring Agency

Since the Issue size does not exceed ₹10,000 Lakhs, the appointment of a monitoring agency as per Regulation 16 of the SEBI Regulations is not required.

Appraising Agency

The objects of this Issue have not been appraised by any bank or any other independent financial institution.

Principal Terms of Loan and Assets charged as security

For details of the principal terms of loans and assets charged as security, please see "*Financial Indebtedness*" on page 133 of this DraftLetter of Offer.

Experts

Except for the reports of the Auditor of our Company on the audited financial information and statement of tax benefits, included in the Draft Letter of Offer, our Company has not obtained any expert opinions.

Underwriting

This Issue of Rights Equity Shares is not being underwritten and/or no standby support is being sought for the Issue.

Debenture Trustee

As the Issue is of Rights Equity Shares, the appointment of a debenture trustee is not required.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, we shall refund the entire subscription amount received within 15 days from the Issue Closing Date. In the event that there is a delay of making refunds beyond such period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under the section titled "Terms of the Issue" on page 220.

CAPITAL STRUCTURE

The share capital of our Company as of the date of this Draft Letter of Offer is set forth below:

(All amounts in ₹)

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A.	**Authorized Share Capital**		
	1,20,00,000 Equity Shares of ₹10 each	12,00,00,000	-
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**		
	51,24,200 Equity Shares of ₹10 each	5,12,42,000	-
C.	**Present Issue in terms of this Draft Letter of Offer***		
	Public Issue of [●] Equity Shares of ₹10 each	[●]	[●]
D.	**Issued, Subscribed and Paid-Up Share Capital after the Issue****	[●]	[●]
	[●] Equity Shares of face value of ₹10 each	[●]	-
E.	**Securities Premium Account**		
	Before the Issue	NIL	
	After the Issue	[●]	

** The Issue has been authorized by the Board at its meeting held on September 21, 2017 and the object of the issue was modified by the Board at its meeting held on July 11, 2018.*
***Assuming full subscription for and allotment of the Rights Entitlement.*

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹10/- each only. All Equity Shares issued are fully paid-up.

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

Notes to Capital Structure

1. Details of increase in Authorized ShareCapital of Our Company:

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

Particulars of Change		Date of Shareholder's Meeting	AGM/EGM
Increased From	**Increased To**		
The initial authorized share capital of Our Company on incorporation comprised of ₹1,00,00,000 divided into 10,00,000 Equity Shares of ₹10 each		On Incorporation	-
₹1,00,00,000 divided into 10,00,000 Equity Shares of ₹10 each	₹1,40,00,000 divided into 14,00,000 Equity Shares of ₹10 each	August 12, 1993	EGM
₹1,40,00,000 divided into 14,00,000 Equity Shares of ₹10 each	₹6,00,00,000 divided into 60,00,000 Equity Shares of ₹10 each	August 25, 1994	AGM
₹6,00,00,000 divided into 14,00,000 Equity Shares of ₹ 10 each	₹12,00,00,000 divided into 1,20,00,000 Equity Shares of ₹ 10 each	September 28, 2017	AGM

2. Details of increase in Issued Subscribed and Paid-up Share Capital of Our Company:

The history of the Equity Share Capital of our Company since incorporation is provided in the following table:

Date of Allotment	Number of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Cumulative number of Equity Shares	Cumulative Paid- up Capital (₹)	Cumulative Securities Premium (₹)
On Incorporation	1,540	10	10	Subscription to Memorandum of Association	Cash	-	-	-
September 18, 1993	2,71,100	10	10	Further Allotment	Cash	2,71,100	27,11,000	
September 30, 1993	3,78,900	10	10	Further Allotment	Cash	6,50,000	65,00,000	-
November 13, 1993	2,00,000	10	10	Further Allotment	Cash	8,50,000	85,00,000	-
January 22, 1994	2,00,000	10	10	Further Allotment	Cash	10,50,000	1,05,00,000	-
February 18, 1994	2,00,000	10	10	Further Allotment	Cash	12,50,000	1,25,00,000	-
August 30, 1994	6,00,000	10	10	Further Allotment	Cash	18,50,000	1,85,00,000	-
September 20, 1994	82,500	10	10	Further Allotment	Cash	19,32,500	1,93,25,000	-
February 27, 1995	31,91,700	10	10	Further Allotment	Cash	51,24,200	5,12,42,000	-

As on the date of this Draft Letter of Offer, Our Company does not have any preference share capital.

3. Our Company has not issue any Equity sharessince the Initial Public Offer to the public shareholders in the year 1995when the shares of Our Company got listed on the platform of BSE Ltd.

4. Our Company has not issued any Equity Shares for consideration other than cash.

5. No Equity Shares have been allotted pursuant to any scheme approved under the erstwhile Sections 391-394 of the Companies Act, 1956 or under Sections 230-240 of the Companies Act, 2013.

6. Our Company has not revalued its assets since inception and have not issued any Equity Shares by capitalizing revaluation reserves.

7. Our Company has not issued any equity shares at price below Issue Price within last one year from the date of this Draft Letter of Offer.

8. Our Company has not issued Equity Shares in the last two years preceding the date of this Letter of Offer.

9. Build-up of Promoters / Shareholding and Promoters‟‟ contribution and lock-in:

i. Build-up of Promoters

Mr. H. D. Katwa

Date of Allotment /Transfer of Fully Paid-up Shares	Consideration	Nature of Issue	No of Equity Shares*	Face Value (₹)	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% Pre-Issue paid up capital	% Post issue paid up capital	Sources of fund
Upon Incorporation	Cash	Subscriber to the MOA	500	10	10	500	0.01	[●]	Own Fund
September 18, 1993	Cash	Further Allotment	1,30,090	10	10	1,30,590	2.55	[●]	Own Fund
September 30, 1993	Cash	Further Allotment	1,20,000	10	10	2,50,590	4.89	[●]	Own Fund
November 13, 1990	Cash	Further Allotment	20,000	10	10	2,70,590	5.28	[●]	Own Fund
January 22, 1994	Cash	Further Allotment	42,600	10	10	3,13,190	6.11	[●]	Own Fund
February 18, 1994	Cash	Further Allotment	20,000	10	10	3,33,190	6.50	[●]	Own Fund
August 30, 1994	Cash	Further Allotment	116,400	10	10	4,49,590	8.77	[●]	Own Fund
October 10, 1994	Cash	Transfer	4,40,000	10	10	9,590	0.19	[●]	NA
September 21, 2016	Cash	Transfer	5,700	10	10	3,890	0.08	[●]	NA

Date of Allotment /Transfer of Fully Paid-up Shares	Consideration	Nature of Issue	No of Equity Shares*	Face Value (₹)	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% Pre-Issue paid up capital	% Post issue paid up capital	Sources of fund
September 28, 2016	Cash	Transfer	3,600	10	10	290	0.01	[●]	NA
November 03, 2017	Cash	Purchase	1,810	10	10	2,100	0.04	[●]	Owned Fund

Mr. Venkatesh Katwa

Date of Allotment /Transfer of Fully Paid-up Shares	Consideration	Nature of Issue	No of Equity Shares*	Face Value (₹)	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% Pre-Issue paid up capital	% Post issue paid up capital	Sources of fund
Upon Incorporation	Cash	Subscriber to the MOA	10	10	10	10	0.00	[●]	Own Fund
September 18, 1993	Cash	Further Allotment	25,490	10	10	25,500	0.50	[●]	Own Fund
September 30, 1993	Cash	Further Allotment	86,400	10	10	1,11,900	2.18	[●]	Own Fund
November 13, 1990	Cash	Further Allotment	20,000	10	10	1,31,900	2.57	[●]	Own Fund
January 22, 1994	Cash	Further Allotment	16,400	10	10	1,48,300	2.89	[●]	Own Fund
February 18, 1994	Cash	Further Allotment	2,000	10	10	1,50,300	2.93	[●]	Own Fund
August 30, 1994	Cash	Further Allotment	126,500	10	10	2,76,800	5.40	[●]	Own Fund
October 10, 1994	Cash	Purchase	1,10,000	10	10	3,86,800	7.55	[●]	Own Fund
See note below	-	Purchase	1,15,500	10	10	5,02,300	9.80	[●]	Own Fund
June 19, 2008	Cash	Purchase	1,33,050	10	10	6,35,350	12.40	[●]	Own Fund
July 02, 2008 to August 12, 2008	Cash	Purchase	45,000	10	10	6,80,350	13.28	[●]	Own Fund
September 21, 2016 to September 28, 2016	Cash	Purchase	3,100	10	10	6,83,450	13.34	[●]	Own Fund
November 12, 2016	Cash	Transfer	1,99,650	10	10	4,83,800	9.44	[●]	N.A

Mr. Vilas Katwa

Date of Allotment /Transfer of Fully Paid-up Shares	Consideration	Nature of Issue	No of Equity Shares*	Face Value (₹)	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% Pre-Issue paid up capital	% Post issue paid up capital	Sources of fund
September 18, 1993	Cash	Further Allotment	9,190	10	10	9,190	0.18	[●]	Own Fund
November 13, 1993	Cashd	Further Allotment	80,000	10	10	89,190	1.74	[●]	Own Fund
January 22, 1994	Cash	Further Allotment	1,800	10	10	90,990	1.78	[●]	Own Fund
February 18, 1994	Cash	Further Allotment	68,000	10	10	158,990	3.10	[●]	Own Fund
August 30, 1994	Cash	Further Allotment	47,000	10	10	2,05,990	4.02	[●]	Own Fund
October 24, 1994	Cash	Purchase	1,10,000	10	10	3,60,990	7.04	[●]	Own Fund
See note below	-	Purchase	1,77,100	10	10	5,38,090	10.50	[●]	Own Fund
June 19, 2008	Cash	Purchase	2,21,100	10	10	7,59,190	14.82	[●]	Own Fund
July 23, 2008 to August 29, 2008	Cash	Purchase	45,000	10	10	8,04,190	15.69	[●]	Own Fund

Date of Allotment /Transfer of Fully Paid-up Shares	Consideration	Nature of Issue	No of Equity Shares*	Face Value (₹)	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% Pre-Issue paid up capital	% Post issue paid up capital	Sources of fund
September 21, 2016 to September 28, 2016	Cash	Purchase	3,100	10	10	8,07,290	15.75	[●]	Own Fund
November 12, 2016	Cash	Transfer	3,23,490	10	10	4,83,800	9.44	[●]	N.A

Mr. Deepak Katwa

Date of Allotment /Transfer of Fully Paid-up Shares	Consideration	Nature of Issue	No of Equity Shares*	Face Value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% Pre-Issue paid up capital	% Post issue paid up capital	Sources of fund
September 18, 1993	Cash	Further Allotment	3,600	10	10	3,600	0.07	[●]	Own Fund
October 30, 1993	Cash	Further Allotment	60,000	10	10	63,600	1.24	[●]	Own Fund
January 22, 1994	Cash	Further Allotment	1,200	10	10	64,800	1.26	[●]	Own Fund
February 18, 1994	Cash	Further Allotment	87,000	10	10	1,51,800	2.96	[●]	Own Fund
August 30, 1994	Cash	Further Allotment	9,900	10	10	1,61,700	3.16	[●]	Own Fund
October 10, 1994	Cash	Purchase	1,10,000	10	10	2,71,700	5.30	[●]	Own Fund
See note below	-	Purchase	3,19,310	10	10	5,91,010	11.53	[●]	Own Fund
June 19, 2008	Cash	Purchase	1,58,202	10	10	7,49,212	14.62	[●]	Own Fund
August 12, 2008	Cash	Purchase	15,000	10	10	7,64,212	14.91	[●]	Own Fund
March 05, 2009 to March16, 2009	Cash	Purchase	40,084	10	10	8,04,296	15.70	[●]	Own Fund
September 21, 2016 to September 28, 2016	Cash	Purchase	3,100	10	10	8,07,396	15.76	[●]	Own Fund
November 12, 2016 to November 16, 2016	Cash	Transfer	3,23,596	10	10	4,83,800	9.44	[●]	N.A

Note: The Company had come out with an Initial Public Issue (IPO) in the year 1995, subsequent to that no further allotment has been made by the Company. The details and other statutory record till 2007 are not available with the Company. The details provided in this DLOF are on best effort basis.

ii. The present Issue being a rights issue, as per Regulation 34(c) of the SEBI (ICDR) Regulations, the requirement of promoters' contribution and lock-in are not applicable.

iii. Pre and post Issue shareholding of Promoters:

Name of Shareholder	Pre-Issue		Post-Issue	
	Number of Equity shares	Percentage (in %)	Number of Equity Shares	Percentage (in %)
Mr. H. D. Katwa	2,100	0.04	[●]	[●]
Mr. Venkatesh Katwa	483,800	9.44	[●]	[●]
Mr. Vilas Katwa	483,800	9.44	[●]	[●]
Mr. Deepak Katwa	483,800	9.44	[●]	[●]
Total	**14,53,500**	**28.36**	[●]	[●]

10. Details for subscription of Rights Equity Shares by Promoter and Promoter Group

Our Promoters and Promoter Group have, vide their letters dated September 25, 2018 (the "Subscription Letters") undertaken to: (a) subscribe, jointly and/or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly, with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to any unsubscribed portion (if any) in the Issue. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue

11. No equity shares have been purchased / sold by the Promoters and Promoter Group, directors and their immediate relatives during last six months.

12. Shareholding Pattern

The table below presents the shareholding pattern of Our Company as per Regulation 31, of the SEBI (LODR), Regulations, 2015 as on September 21, 2018:

a) Summary of Shareholding Pattern

Category (I)	Category of Shareholder (II)	No. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid- up equity shares held (V)	No. of shares under lying Depository Receipts (VI)	Total nos. shares held (VII)	Shareholding as a % of total no. of shares (VIII) (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities(IX)		No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C 2) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XII)		Number of equity shares held in dematerialized form(XIV)
								No of Voting Rights	Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
A	Promoter and Promoter Group	11	34,74,912	-	-	34,74,912	67.81	34,74,912	67.81	-	67.81		-		-	34,74,912
B	Public	5,701	16,49,288	-	-	16,49,288	32.19	16,49,288	32.19	-	32.19		-		-	10,59,938
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-		-	-		-		-	-
1	Shares underlying DRs	-	-	-	-	-	-	-		-	-		-		-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-		-	-		-		-	-
	Total	5,712	51,24,200	-	-	51,24,200	100.00	51,24,200	100.00		100.00					45,34,850

b) The table below presents the current shareholding pattern of our promoters and promoter Group:

S. No.	Name	Number of equity shares held	Percentage (%) of the current paid up capital of our Company
Promoters			
1.	Mr. H. D. Katwa	2,100	0.04
2.	Mr. Venkatesh Katwa	483,800	9.44
3.	Mr. Vilas Katwa	483,800	9.44
4.	Mr. Deepak Katwa	483,800	9.44
	TOTAL (A)	**14,53,500**	**28.36**
Promoter Group			
1.	Ms. Roopa Katwa	10,000	0.20
2.	Ms. Prajakta Katwa	10,000	0.20
3.	Ms. Tina Vilas Katwa	10,000	0.20
4.	H D Katwa (Huf)	160,200	3.13
5.	Ms. N H Katwa	6,948	0.14
6.	Katwa Infotech Limited	1,740,264	33.96
7.	Katwa Construction Company Private Limited	84,000	1.64
	TOTAL (B)	**20,21,412**	**39.47**
	TOTAL (A+B)	**34,74,912**	**67.81**

c) The list 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 Draft Letter of Offer is set forthbelow:

i. Our top ten shareholders and the number of Equity Shares held by them as on the date of this Draft Letter of Offer are as under -

Sr. No	Name of Shareholders*	Number of Equity Shares	% of pre-Issue Capital
1.	Katwa Infotech Ltd	17,40,264	33.96
2.	Deepak Katwa	4,83,800	9.44
3.	Venkatesh HanamantsaKatwa	4,83,800	9.44
4.	Vilas Katwa	4,83,800	9.44
5.	H D Katwa	1,60,200	3.13
6.	Katwa Construction Company Private Limited	84,000	1.64
7.	Nilesh Anant Naik	76,527	1.49
8.	Surekha MahendraKhetani	25,200	0.49
9.	Pallvi Hiten Kumar Raja	24,500	0.48
10.	Anurag Vithlani	20,000	0.39
	Total	**35,82,091**	**69.91**

ii. Our top ten shareholders and the number of Equity Shares held by them 10 days prior to the date of this Draft Letter of Offer are as under

Sr. No	Name of Shareholders	Number of Equity Shares	% of pre-Issue Capital
1.	Katwa Infotech Ltd	17,40,264	33.96
2.	Deepak Katwa	4,83,800	9.44
3.	Venkatesh HanamantsaKatwa	4,83,800	9.44
4.	Vilas Katwa	4,83,800	9.44
5.	H D Katwa	1,60,200	3.13

6.	Katwa Construction Company Private Limited	84,000	1.64
7.	Nilesh Anant Naik	76,527	1.49
8.	Surekha MahendraKhetani	25,200	0.49
9.	Pallvi Hiten Kumar Raja	24,500	0.48
10.	Anurag Vithlani	20,000	0.39
	Total	**35,82,091**	**69.91**

iii. Our top ten shareholders and the number of Equity Shares held by them two years prior to the date of this Draft Letter of Offer are as under-

Sr. No	Name of Shareholders	Number of Equity Shares	% of pre-Issue Capital
1.	Deepak Katwa	8,07,396	15.76
2.	Vilas Katwa	8,07,290	15.75
3.	Venkatesh HanamantsaKatwa	6,83,450	13.34
4.	Katwa Infotech Limited	4,61,180	9.00
5.	Roopa Katwa	2,61,350	5.10
6.	H D Katwa	1,60,200	3.13
7.	Prajakta Katwa	1,47,488	2.88
8.	Tina Vilas Katwa	1,37,510	2.68
9.	Nilesh Anant Naik	76,527	1.49
10.	Surekha Mahendra Khetani	25,200	0.49
	Total	**35,67,591**	**69.62**

13. Neither the Lead Manager viz. Keynote Corporate Services Limited nor its associates hold any Equity Shares of Our Company as on the date of the Draft Letter of Offer.

14. There are no Equity Shares against which depository receipts have been issued.

15. Other than the Equity Shares, there are no other classes of securities issued by Our Company.

16. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and right issue or in any other manner during the period commencing from the date of the Letter of Offer 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

17. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of Our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Draft Letter of Offer.

18. 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 issued through the Issue from any person.

19. There are no safety net arrangements for this Issue.

20. As on date of this Draft Letter of Offer there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.

21. All the Equity Shares of Our Company are fully paid up as on the date of this Draft Letter of Offer. 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 Issued through this issue shall be fully paid-up.

22. As per RBI regulations, OCBs are not allowed to participate in this Issue.
23. Our Company has not raised any bridge loans against the proceeds of the Issue.
24. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
25. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
26. 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.
27. 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.
28. We have 5,712 (Five Thousand Seven Hundred and Two only) shareholders as on September 21, 2018.
29. The ex-rights price of the Equity Shares as per regulation 10(4)(b)(ii) of the Takeover Regulations is ₹ [●].
30. Our Company has made public issue in the year 1995.
31. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Letter of Offer and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction
32. Other than the following, none of our Directors or Key Managerial Personnel holds Equity Shares in Our Company,

Sr. No	Name of the Director	No. of Equity Shares	% of Pre Offer Equity Share Capital	% of Post Offer Equity Share Capital
1	Venkatesh Katwa	4,83,800	9.44	[●]
2	Vilas Katwa	4,83,800	9.44	[●]
3	Deepak Katwa	4,83,800	9.44	[●]
4	Balasaheb Mestri	175	0.00	[●]
	TOTAL	**14,51,575**	**28.32**	[●]

SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The proceeds of the Issue are proposed to be utilised by us for financing the following objects:

1. Part repayment or prepayment of unsecured loans;
2. General Corporate Purposes; and
3. Expenses for the issue.

The objects clause of our Memorandum of Association enables us to undertake our existing activities. The fund requirement and deployment are based on internal management estimates and have not been appraised by any banks or institutions. Further, the same is based on our current business plan. In view of the competitive and dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and consequently the fund requirement may change.

In case of variations in the actual utilisation of funds earmarked for the purposes set forth below, 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.

Issue Proceeds

The details of the Issue Proceeds are set forth below:

(₹in lakhs)

Particulars	Amount
Gross Proceeds from the Issue	3,500.00
(Less) Issue related expenses	[●]
Net Proceeds from the Issue	[●]

Requirement of funds and utilisation of Net Proceeds

The proposed utilisation of the Net Proceeds is set forth below:

(₹in lakhs)

No.	Particulars	Amount
1.	Part repayment or prepayment of unsecured loans	[●]
2.	General Corporate Purposes	[●]
	Total	**[●]**

Means of finance

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

Details of the Objects of the Issue

1. Part repayment or prepayment of unsecured loans

In the year 2017, our company embarked on a major expansion plan to increase the clinker capacity from its present 200 TPD to 700 TPD and cementing capacity from 200 TPD to 1100 TPD at its Naganapur plant (Plant 2). The total cost of the project was ₹6,113 lakhs and the same was funded through Term loan from Bank for an amount of ₹4,140 lakhs, the balance by way of Unsecured loan from promoter(s) / promoter(s) group entities and internal accruals. The said expansion project was completed during February 2018 &company commenced operations from March 2018. Further to reduce the power cost at the plant which constitutes around 30% of the total manufacturing cost, our company has during FY 17-18set up a 20 MW PV based solar plant at Bisarhalli Village, Koppal, Karnataka, India. The said plant was set up at a cost of ₹11,929 lakhs and was funded by term loan from Syndicate bank to the extent of ₹8,000 lakhs& balance through unsecured loans provided by Promoter/ Promoter group entities and internal accruals. The solar power plant has been commissioned since March 31, 2018. Initially the rights issue was envisaged to part finance the cost of the solar project and accordingly the Board had during September 2017 approved the rights issue. To avoid any delay in the funding of the project, the promoter/ promoter group entities of the company had from time to time infused funds in the form of unsecured loan along with debt from the bank, and completed the financial closure of the project. Part of the said unsecured loans brought in by the promoter/ promoter group entities, is proposed to be repaid out of the proceeds of the issue.

The following table provides details of the unsecured loans brought in by our promoter / promoter group, as on the September 25, 2018, which are proposed to be repaid from the Net Proceeds of the Rights Issue:

No.	Name of the entity	Outstanding Unsecured Loans (in ₹ lakhs)
1.	Deepak. H. Katwa	1,005.41
2.	N.H. Katwa	124.38
3.	Venkatesh H. Katwa	518.30
4.	Vilas H. Katwa	872.79
5.	Prajakta D. Katwa	328.13
6.	H.D.Katwa	88.67
7.	Roopa V. Katwa	421.70
8.	Tina V. Katwa	270.56
	Total	**3,629.95**

Pursuant to certificate dated September 25, 2018, our Statutory Auditor has certified that the unsecured loans availed have been utilised for the purposes for which they were availed. The said unsecured loans are repayable on demand and carry interest at the rate of 9.00% p.a. Our Company proposes to repay the said loan out of the proceeds of the rights issue.

Our Promoters and Promoter Group have, vide their letters dated September 25, 2018 (the "Subscription Letters") undertaken to: (a) subscribe, jointly and/or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly, with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding.

The promoters and promoter group entities have vide letters dated September 25, 2018, confirmed that the unsecured loans provided by them shall be adjusted towards subscription for their entitlement in the Rights Issue and also towards additional subscription, if any, to the extent of ₹3,500.00lakhs.

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹[●] lakhs towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds of the Issue, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include expenses incurred in the ordinary course of business, on acquiring new technology and maintenance and upgradation of existing technology, acquiring new office space on lease/rent, funding growth opportunities, repayment of loans, reduction in working capital and payment of interest on any borrowing availed by our Company.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditures considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of the Board and subject to applicable law, shall have flexibility in utilizing surplus amounts, if any

Expenses to the Issue

The Issue related expenses include, among others, fees to various intermediaries, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Particulars	Approximate Amount (₹ in lakhs)	As percentage of total expenses (%)	As a percentage of Issue size (%)
Fees of the Intermediaries	[●]	[●]	[●]
Advertising, Printing and stationery expenses (including courier and distribution charges)	[●]	[●]	[●]
Statutory and others miscellaneous expenses (fees to regulators, listing fees, depositories' fees, auditor fees, out of pocket expenses, etc.)	[●]	[●]	[●]
Total	[●]	[●]	[●]

Schedule of Implementation and Deployment of Funds

Our Company proposes to utilize funds collected in rights issue after finalization of the basis of allotment. Post completion of the rights issue, the company shall immediately use the funds for the purpose stated in the objects of the issue.

As per the certificate dated September 25, 2018 issued by M/s Singhi & Co., Chartered Accountants & Statutory Auditors of the Company, our company has spent an amount of ₹ 2.18 lakhs till September 24, 2018 towards issue expenses.

Year wise break-up of proceeds to be used

The Company proposes to use the entire funds received in the Rights Issue during immediately within 12 months of the completion of the rights issue. Hence no year wise breakup of proceeds to be used is given separately.

Interim use of Net Proceeds

Our Company intends to deposit the Net Proceeds with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934. Our Company confirms that pending utilisation of the Net Proceeds for the objects of the Issue, it shall not utilise the Net Proceeds for any investment in the equity markets, real estate or related products.

Bridge financing facilities

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

Monitoring of utilisation of funds

In terms of Regulation 16 of the SEBI ICDR Regulations, there is no requirement for a monitoring agency as the size of the Issue does not exceed ₹ 10,000 lakhs. Our Board and our audit committee of the Board **("Audit Committee")** shall monitor the utilisation of the Net Proceeds. Our Company will disclose the utilisation of the Net Proceeds, including any interim use, under a separate head specifying the purpose for which such proceeds have been utilised along with details, if any in relation to all the Net Proceeds that have not been utilised thereby also indicating investments, if any, of such unutilised Net Proceeds in our balance sheet for the relevant financial years subsequent to the successful completion of the Issue.

Pursuant to Regulation 32(3) of the Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Letter of Offer and place it before the Audit Committee. Such disclosure shall be made only until such time that Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditor. Furthermore, in accordance with Regulation 32(1)(a) of the Listing Regulations, our Company shall furnish to the Stock Exchange on a quarterly basis, a statement including material deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee and our Board.

BASIS OF ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Lead Manager on the basis of an assessment of market demand for the issued Equity Shares and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares of our Company is ₹ 10 each and the Issue Price is ₹ [●]. Investors should also refer to "Business Overview", "Risk Factors" and "Financial Statements" on pages 84, 14 and 133 respectively, to have an informed view before making an investment decision. The Issue Price is [●] times of the face value of Equity Shares.

Qualitative Factors

Some of the qualitative factors that help differentiate us from our competitors and enable us to compete successfully in our industry are:

1. Established presence of 'Shri Keshav' brand in Belgavi;
2. Availability & access to raw material;
3. Strategic Location of our manufacturing facility;
4. Experienced promoter; and
5. Implementation of Solar power plant to reduce cost of production and enhance profitablitiy.

For a detailed discussion on the qualitative factors, which form the basis for computing the Issue Price, see "Business Overview", "Financial Statements" and "Risk Factors" on pages 84,133 and14 respectively.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Standalone Financial Statements prepared in accordance with Indian AS, Companies Act and SEBI ICDR Regulations. For details, see "Financial Statements" on page 133

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. Basic and Diluted Earnings per Share ("EPS")

For the Year ended	Basic & Diluted EPS (₹)	Weight
March 31, 2018	(3.42)	3
March 31, 2017	3.02	2
March 31, 2016	16.86	1
Weighted Average*	**2.11**	

**Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total of weights}.*

Notes:

i. The figures disclosed above are based on the restatedstandalone financial statements as disclosed in this draft letter of offer.
ii. Earnings per share is calculated in accordance with Accounting Standard 20'Earnings Per Share', notified under section 133 of the Companies Act 2013, readtogether along with paragraph 7 of the Companies (Accounts) Rules, 2014

2. Price/Earnings Ratio (P/E) ratio in relation to issue Price of ₹ [●] per Equity Share of ₹10 each:

Sr. No.	Particulars	PE Ratio
1	Based on basic and diluted EPS of ₹(3.42) as per restated financial statements for the year ended March 31, 2018	N.A.*
3	Based on weighted average basic and diluted EPS, as per restated financial statements	[●]

**The Company has negative EPS during the Fiscal 2018 and hence PE Ratio cannot be determined.*

3. Industry peer group P/E ratio:

Sr. No.	Particulars	Standalone (₹)
1	Highest (Kakatiya Cement Sugar Industries Limited)	16.51
2	Lowest (Keerthi Industries Limited)	8.01
	Industry Composite (Cement – South India)*	**36.20**

**Source: Capital Market Magazine September 24, 2018 –October 07, 2018*

4. Return on Net Worth (RONW)

For the year ended	RONW (%)	Weight
March 31, 2018	(9.22)	3
March 31, 2017	6.69	2
March 31, 2016	43.74	1
Weighted Average*	**7.98**	

** Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. {(Return on Net Worth x Weight) for each year} / {Total of weights}*

Note: The RONW has been computed by dividing net profit after tax by net worth as at year end

5. Minimum Return on Increased Net Worth required to maintain pre-Issue EPS for the year ended March 31, 2018:

Our Company had negative EPS during the Fiscal 2018 and hence this is not applicable.

6. Net asset Value (NAV) per Equity Share of our Company (In ₹):

As of the year ended	NAV (₹)
March 31, 2018	36.37
March 31, 2017	39.76
March 31, 2016	26.83
After the issue	[●]

Note: Net Asset Value per Equity Share represents net worth divided by the number of Equity Shares outstanding at the end of the period.

7. Comparison with listed peers:

For the purpose of peer comparision South based Cement manufacturing companies with turnover of upto ₹20,000 lakhs for fiscal 2018 are considered as comparable with our company

Name of the Company	Face Value (₹)	Revenue from operations (₹ in lakhs)	PAT (₹)	Basic EPS (₹)	Market Price as on September 26, 2018* (₹)	P/E Ratio	RONW (%)	NAV (₹)
Shri Keshav Cements & Infra Limited	10	5,205.22	(171.82)	(3.42)	80.20	N.A.	(9.22)	36.37
Peers								
Shiva Cement Limited	2	2,530.00	(2,100.00)	N.A.	19.85	N.A.	N.A.	2.40
Kakatiya Cement Sugar Industries Limited	10	15,090.00	1,050.00	13.50	222.90	16.51	13.30	283.40
Keerthi Industries Limited	10	19,260.00	850.00	10.60	84.95	8.01	23.20	71.10

**Source: www.bseindia.com*

Notes:

i. The figures of Shri Keshav Cements & Infra Limited are based on the restated standalone financials for the year ended March 31, 2018 and the figures of the peer group companies has been taken from *Capital Market Magazine September 24, 2018 –October 07, 2018(expect the market price).*

ii. P/E Ratio has been computed as the closing market prices of the companies sourced from the BSE website as on September 26, 2018, as divided by the EPS.

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the Lead Manager on the basis of assessment of market demand from investors for the Equity Shares and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with “Risk Factors”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 14, 133 and 184, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “Risk Factors” or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

Statement of possible special direct tax benefits available to Shri Keshav Cements & Infra Limited and its shareholders

To,
The Board of Directors
Shri Keshav Cements & Infra Limited
Jyoti Towers, 215/2 Karbhar Street,
6th Cross Nazar Camp,
M Vadgaon, Belgavi,
Karnataka, 590 005

Dear Sirs,

Sub: Proposed Rights Issue (the "Issue") of equity shares (the "Equity Shares") of Shri Keshav Cements & Infra Limited (the "Company")

We report that there are no possible special direct tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 presently in force in India.

This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither we are suggesting nor advising the investor to invest money based on this statement.

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

We hereby give consent to include this statement of tax benefits in the Draft Letter of Offer, the Letter of Offer and in any other material used in connection with the Issue.

For **SINGHI& Co.,**
Chartered Accountants
Vijay Jain
Partner
Sd/-
Membership No.: 077508
Firm Registration No. with ICAI:302049E
Peer Review Certificate No.: 009167

Place: Bengaluru
Date: September 25, 2018

SECTION V – ABOUT US

INDUSTRY OVERVIEW

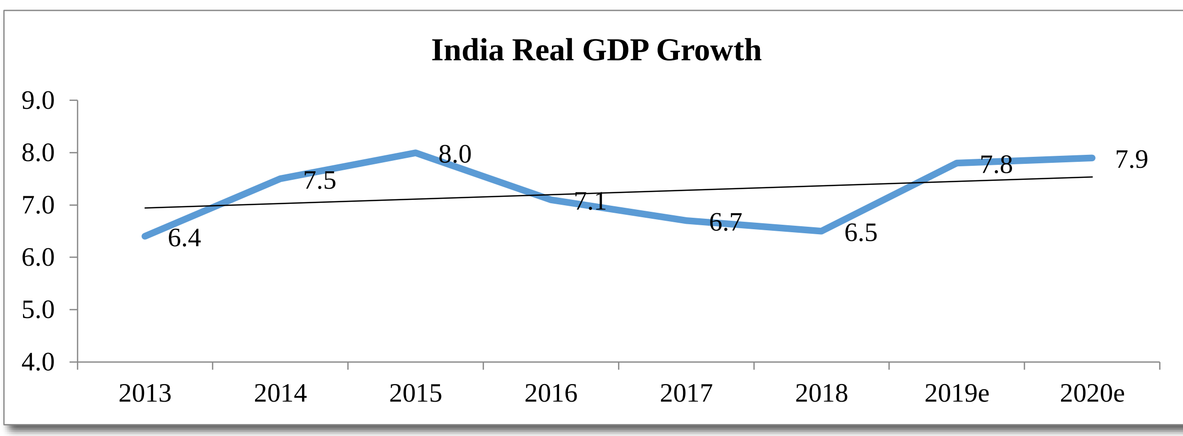
The information presented in this section has been obtained from publicly available documents from various sources, including officially prepared materials from the Government of India and its various ministries, industry websites and publicly available industry reports. Industry websites and publications generally state that the information contained therein 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 industry, market and government data used in this Draft Letter of Offer is reliable, it has not been independently verified.

Accordingly, our Company and the Lead Manager do not take any responsibility for the data, projections, forecasts, conclusions or any other information contained in this section. Certain information contained herein pertaining to subsequent years is presented in the form of estimates as they appear in the respective reports/ source documents. The actual data for those years may vary significantly and materially from the estimates so contained.

OVERVIEW OF INDIAN ECONOMY

Growth is increasing, making India the fastest-growing G20 economy. Investment and exports, supported by the smoother implementation of the new goods and services tax (GST), are becoming major growth engines. Inflation will hover within the target band, with upside risks reflecting rising oil prices and an increase in housing allowance for public employees. The current account deficit will increase. Job creation in the formal sector will remain sluggish, leaving the vast majority of workers in low-productivity, low-paid activities.

Fiscal and monetary policies are projected to remain broadly neutral. To reduce the relatively high public debt-to-GDP ratio, containing contingent fiscal liabilities is the key, including through better governance of public enterprises. Better risk assessment in banks would allow allocating financial resources to the best projects and avoiding a new increase in non-performing loans. Investing more in education and training, combined with a modernisation of labour laws, would help create better jobs and make growth more inclusive.



Source: IMF World Economic Outlook, October 2017
e - estimated

With the introduction of policies like Jan-Dhan and Aadhaar, the successful implementation of Goods and Services Tax (GST), the creation of a single law for Insolvency and Bankruptcy and the enormous increase in number of mobile phone users, the base of the Indian economy is in complete revival.

According to RBI's data as of December 6, 2017, under Jan-Dhan Yojana 307 million accounts have been opened with a balance of ₹ 698 Billion. This has also helped India's rural population to get access to financial services, namely Banking- Savings & Deposit Accounts, Remittance, Credit, Insurance, Pension in an affordable manner.

GST has opened up major bottlenecks for growth. 9 million entities are registered on the GST Platform till now. This will change how credit is farmed out in this country. Currently credit is asset backed, which will move to cash flow based. This will result in many MSMEs entering the formal banking sector.

India now ranks 100th in the World Bank's annual Ease of Doing Business Report, 2018 as against 130th rank in 2017. Furthermore, according to data from the department of telecom, the average data usage per subscriber grew 25 times from 62 MB per month in 2014 to 1.6 GB per month in 2017. All this shows that the economy is in revolutionary phase.

According to RBI's report on Indian Household Finance, July 2017 the Indian household balance sheets exhibit a set of features that are unusual in the international context. A disproportionately high share (approximately 95%) of wealth allocated to non-financial assets like real estate and gold. These non-financial assets will slowly get converted into financial assets like equity, which grows with the underlying cash flow of the company. This transition will boost the Indian equity market and ultimately the economy as these productive assets are something which will yield outputs as well as jobs, which will yield income and will ultimately lead to more consumption and increase in GDP.

CEMENT INDUSTRY

India is the second largest producer of cement in the world. Cement industry is a vital part of its economy, providing employment to more than a million people, directly or indirectly. Ever since it was deregulated in 1992, the Indian cement industry has attracted huge investments, both from Indian as well as foreign investors.

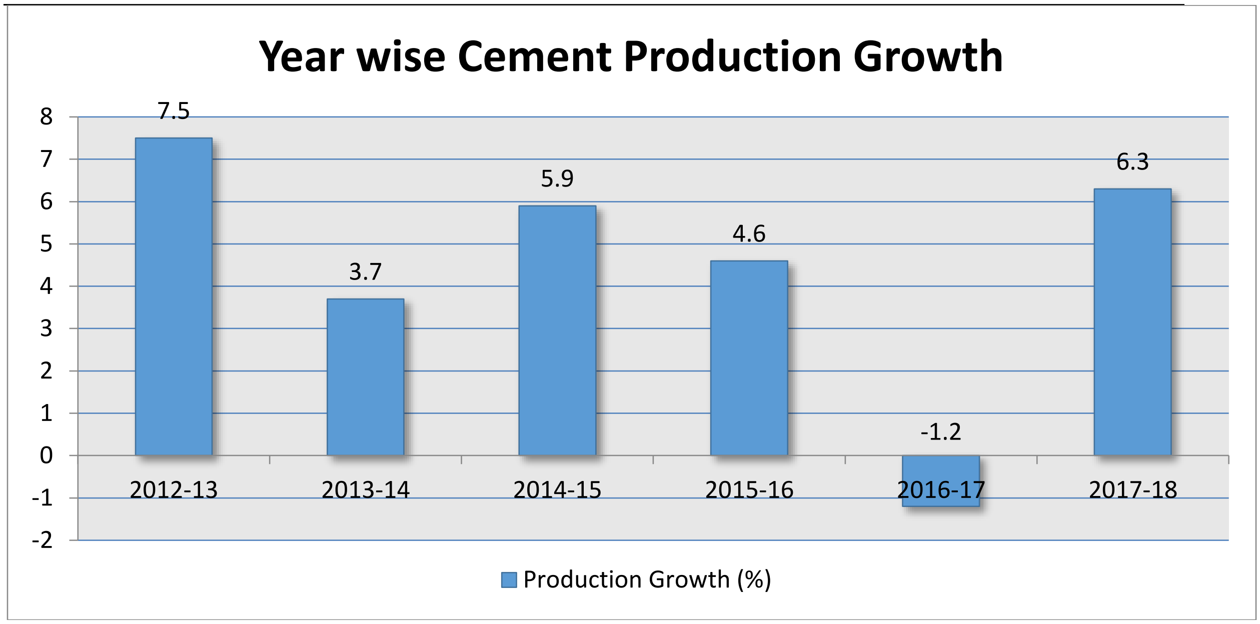
India has a lot of potential for development in the infrastructure and construction sector and the cement sector is expected to largely benefit from it. Some of the recent major initiatives such as development of 98 smart cities are expected to provide a major boost to the sector.

Expecting such developments in the country and aided by suitable government foreign policies, several foreign players such as Lafarge-Holcim, Heidelberg Cement, and Vicat have invested in the country in the recent past. A significant factor which aids the growth of this sector is the ready availability of the raw materials for making cement, such as limestone and coal.

In terms of quality, technology, productivity and efficiency, India compares well with the best in the world. The demand for cement is closely linked to the overall economic growth, particularly the housing and infrastructure sector. The recent government thrust on housing and infrastructure development augurs well for the industry. However, the per capita consumption of cement in India still remains substantially low at about 195 kg when compared with the developed world or world average which stands at about 520 kg. The Indian Cement Industry plays a key role in the national economy, not only by generating substantial revenue for State and Central Governments but also as a key industry that generates maximum employment directly or indirectly.

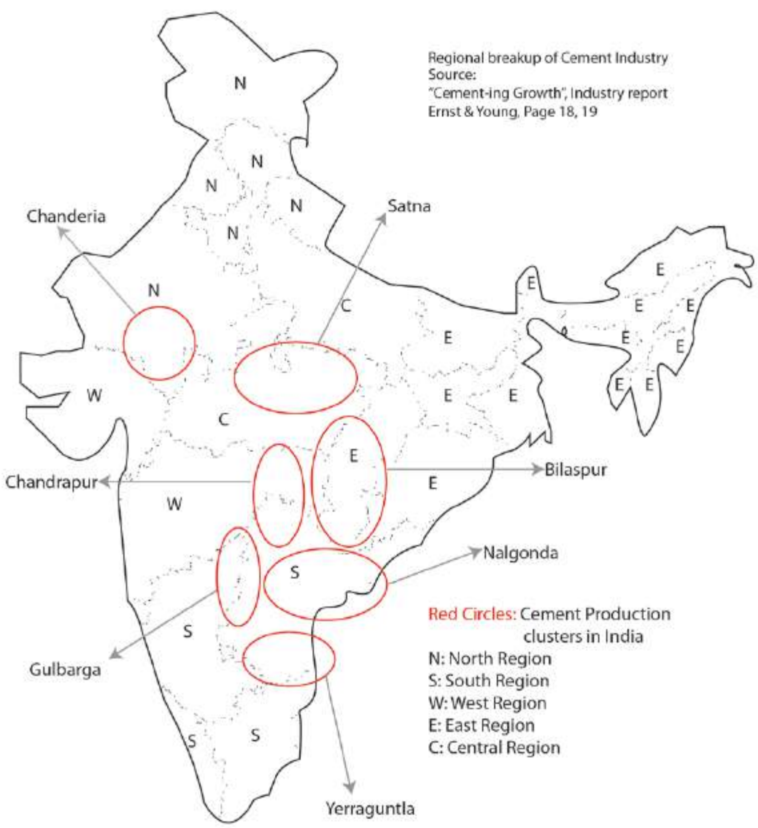
Cement production

Cement manufacturing is not uniform throughout the country. This is because the manufacturing units are located near the limestone deposits that are usually away from the markets. The Indian cement industry comprised of over 210 large cement plants and over 350 small cement plants, with installed capacity of 421.10 million tonnes and the production of cement during 2016-17 was 279.81 million tonnes.
Following graph shows year wise Cement production growth (%) in India.



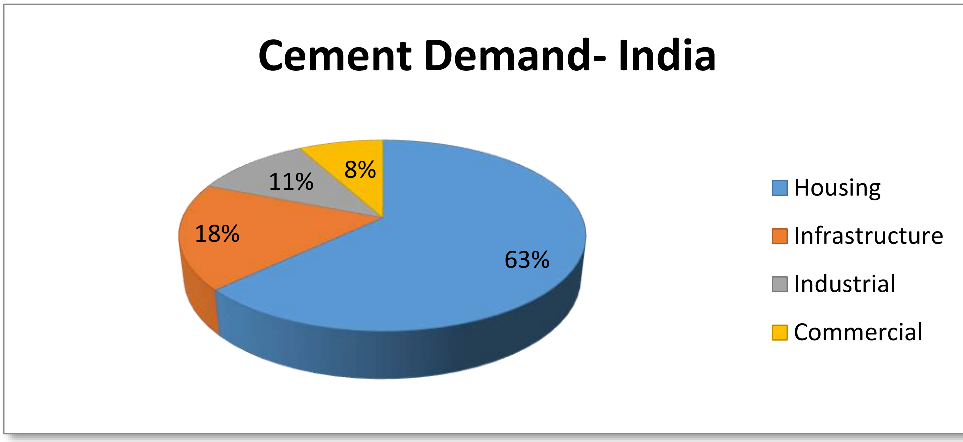
(Source:http://www.cmaindia.org/mc-admin/assets/images/listfiles/mc-list8917564711582338934.pdf)

There are seven clusters in India where cement manufacturing is prominent. Satna(Madhya Pradesh), Chandrapur (Maharashtra), Gulbarga (Karnataka), Chanderia (South Rajasthan), Jewad & Neemuch (Madhya Pradesh), Bilaspur (Chattisgarh), and lastly central and south Andra Pradesh.
(Source: Indian Mineral Yearbook 2017)



(Source: Company Project Report)

The Key sectors that drive cement demand are:



Government Initiatives

In order to help the private sector companies, thrive in the industry, the government has been approving their investment schemes. Some such initiatives by the government in the recent past are as follows:

- In Budget 2018-19, Government of India announced setting up of an Affordable Housing Fund of ₹ 25,000 crore (US$ 3.86 billion) under the National Housing Bank (NHB) which will be utilised for easing credit to homebuyers. The move is expected to boost the demand of cement from the housing segment.

- The Export & Import Policy 2015-20, incorporated in the FTP for cement is free. The import of cement includes portland cement, white cement, aluminous cement, slag cement, super sulphate cement and similar hydraulic cements, whether or not coloured or in the form of clinkers, under ITC (HS) Code 2523 is free.

- Development Council for Cement Industry
  Development Council for Cement Industry has been set-up under Section 6 of the Industrial (Development & Regulation) Act,1951. The activity of the Council is funded through the cess collected from Cement Manufacturers in terms of the Cement Cess Rules,1993. The Cement Council promotes development of the cement industry by funding development projects in areas of base level activities of National Council for Cement & Building Materials and R&D, improving productivity by reducing cost, optimum utilisation of raw materials, modernisation of cement plants, improvement of environment, standardisation and quality control progress, bulk supply and distribution of cement, training and upgradation of skill in cement industry.

(Source:https://www.ibef.org/industry/cement-india.aspx)

FUTURE OUTLOOK

The primacy of Cement Industry would continue as cement remains paramount for the development of infrastructure all over the world and no other material would possibly substitute it in the near future. Infrastructure and industrial activity, real estate business and investment in core sectors mainly drive the demand for cement. Some emerging areas for cement demand are concrete roads, concrete canal lining and rural construction (housing). Over 65% demand for cement arises from Construction Sector. The Government of India has been laying a massive emphasis on infrastructure development, with 100 smart cities, modernisation of 500 cities, affordable housing for all by 2022, cement concreting of national highways, provision of sanitation facilities, etc. all in the pipeline for development over the course of the next years. These all lead to future growth of Indian Cement Industry. The country is self-sufficient in terms of cement production. Most of the cement plants in India are operated by state-of-the-art technology and with advanced production facilities. The liberalisation policies for Cement Industry enabled achievement of strong growth in

the Cement Sector. The Cement Industry has presently ushered in modifications and up-gradation in technology, particularly in the energy conservation front. Reviewing the technology status of the Indian Cement Industry, the Working Group has observed that although the modern cement plants have incorporated the latest technology, yet there is scope for further improvement in the areas of in-pit crushing and conveying, pipe conveyors, co-processing of waste derived/hazardous combustible wastes as fuel, neurofuzzy expert system, cogeneration of power, multi chamber/dome silos, bulk transport of cement, pelletising and shrink wrapping for packing & despatch. The Working Group has observed that the Cement Industry's average energy consumption is estimated to be about 725 kcal/kg clinker thermal energy and 80 kWh/t cement electrical energy. The Working Group has taken into consideration the following alternate energy sources/fuels having good potential in the present context of Indian economics to either partially or fully substitute coal in cement manufacture in the coming years, namely, pet coke, lignite, natural gas, and bio-mass wastes including fruit of Jatropha curcas, Pongamia and Algae. The Report further states that the Cement Industry in India has the potential to utilise the entire hazardous waste generated in the country with indigenous technological intervention.
(*Source: https://ibm.gov.in/writereaddata/files/03162018165514CEMENT_AR_2017.pdf*)

Coal- Distribution and Marketing

Through sustained programme of investment and greater thrust on application of modern technologies, it has been possible to raise the production of coal from a level of about 70 million tonnes at the time of nationalization of coal mines in early 1970's to 676.48 (Provisional) million tonnes (All India) in 2017-18.

As per the present Import policy, coal can be freely imported (under Open General Licence) by the consumers themselves considering their needs based on their commercial prudence. Coal to continue enjoying demand for some more time in India: Even in the most adverse scenario, as of 2Q17, it appears that the demand for coal in India, as a source of primary energy, shall expand until 2030 and perhaps beyond. This would albeit be at a lower CAGR of 3 per cent, compared to 6 per cent in the last five years (in the low sentiment scenario). Overall coal demand is estimated to be 900–1,000MTPA by 2020 and 1,300–1,900MTPA by 2030. The demand scenario is influenced by economic growth, energy efficiency and emergence of alternate coal uses. By 2030, of the overall coal demand, thermal coal demand is estimated to be 1,150–1,750MTPA and the balance is coking coal demand. While this appears to be a very wide range, the nature of uncertainties in the ecosystem are also quite wide. The upper end of the spectrum of the coal demand corresponds to a GDP growth rate of 8 per cent. The lower end of the spectrum of the coal demand corresponds to an energy efficient scenario. While the recent quarterly estimates of the GDP are lower, it is believed that this is a result of the recent discontinuities like demonetisation and GST transition. As the positive impact of these changes start to pan out, it is expected that by next year, the GDP may improve to 7 per cent.

This rapid growth in production has to be supported by adequate infrastructure for loading, handling and transportation. Since the gestation period for railway projects are longer, it is recommended that long term planning is undertaken and key infrastructure facilities are implemented.

(Source: Coal India-Coal vision 2030, https://www.coalindia.in/DesktopModules/DocumentList/documents/Coal_Vision_2030_document_for_Coal_Sector_Stakeholders_Consultation_27012018.pdf)

Petrol & Diesel- Distribution and Marketing

The retail marketing of petroleum products in India is done by the Public Sector Oil Marketing Companies (OMCs) i.e. Indian Oil Corporation Ltd (IOCL), Hindustan Petroleum Corporation Ltd (HPCL), Bharat Petroleum Corporation Ltd (BPCL), Numaligarh Refinery Ltd (NRL), Mangalore Refinery & Petrochemicals Ltd (MRPL), Bharat Oman Refineries Ltd (BORL) and private companies like Reliance, Essar & Shell.

There are 320 Terminal/Depots, 189 LPG Bottling Plants (as on 01/09/17), 59,595 Retail Outlets including private companies (as on 01/04/17), 19,136 LPG Distributorships (as on 01/09/17), 6,543 SKO/LDO Dealers (as on 01/04/17) in the country.

The pricing of petroleum products was brought under Administered Price Mechanism (APM) effective July 1975 when the pricing of petroleum products was shifted from import parity principles to cost plus principles. Under APM (1975 to 2002) various oil pool accounts were maintained with the objective to i) ensure stability in selling price; ii) insulate consumers against international price fluctuations; and iii) subsidization of consumer price of certain products like kerosene for public distribution and domestic LPG by cross subsidization from other products like petrol, Aviation Turbine Fuel (ATF) etc. and indigenous crude oil.

Effective 01.04.2002, the APM was dismantled and the Government decided to provide subsidy on sale of Public Distribution System (PDS) kerosene and domestic LPG at specified flat rates under the Budget. To administer these budgetary subsidies, the Government formulated a 'PDS kerosene and domestic LPG subsidy scheme' in 2002. Under this scheme it was decided that these subsidies will be phased out in 3-5 years.

Even though APM was dismantled effective 1.4.2002, since 2004, the consumers of sensitive petroleum products viz. Petrol (decontrolled w.e.f. 26.06.2010), Diesel (decontrolled w.e.f.19.10.2014), PDS kerosene and Domestic LPG were being insulated from the impact of unprecedented high international oil prices by the Public Sector Oil Marketing Companies (OMCs) namely IOCL, HPCL & BPCL.

Control Orders issued by the Government to prevent fuel adulteration, under the Essential Commodities Act 1955, empowers the State Governments to take action against those indulging in adulteration. Moreover, Marketing Discipline Guidelines (MDG) has also been formulated to take action against RO Dealers / LPG Distributors for established cases of irregularities / malpractices.

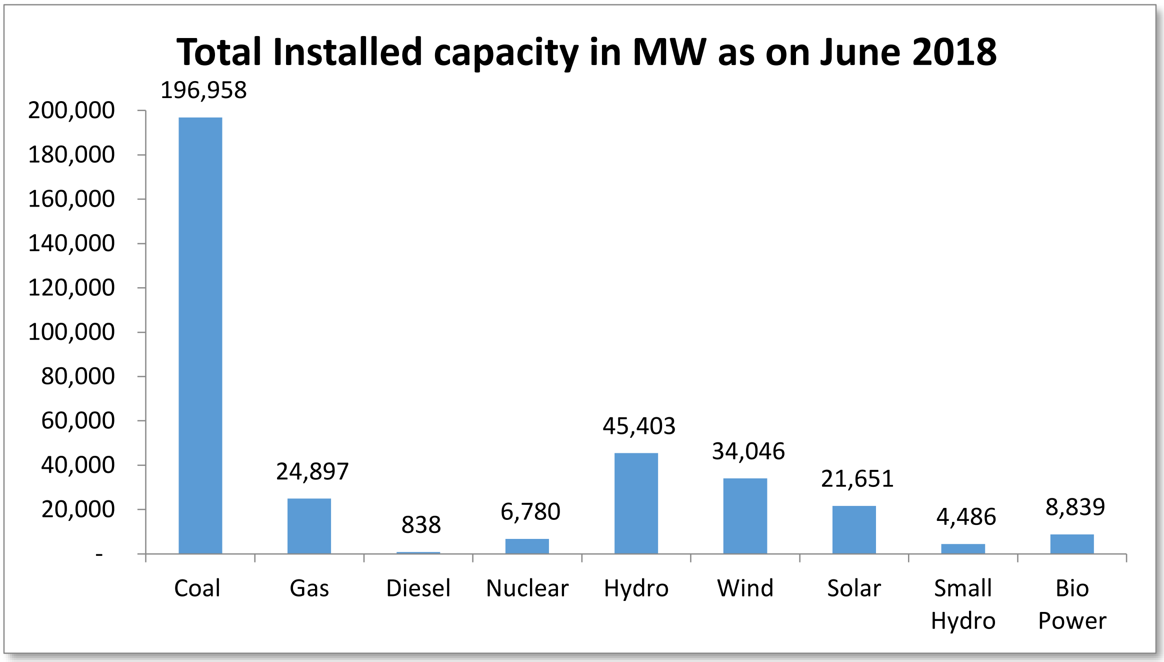
In order to monitor the activities at Retail Outlets by adapting the latest technological improvements, automation of Retail Outlets is being implemented. Retail Automation is the automation of all the operations and business processes of a Retail Outlet. This is achieved by capturing, collating and analyzing all the transactions electronically. The main objective of Retail Automation is Customer Relationship Management. Manual intervention is eliminated, and speed of transaction & operations is increased, resulting in Quick Fill Experience. The system provides transparency and control of all facets of Retail Outlet operations and the database generated reinforces control and analysis of the outlet performance. The Retail Outlets where automation system is implemented runs on concept of NANO i.e. 'No Automation No Operation'

(Source : Ministry of Petroleum and Natural Gas, http://petroleum.nic.in/marketing/about-marketing)

RENEWABLE ENERGY INDUSTRY – SOLAR ENERGY

India ranks third in the world in total energy consumption and needs to accelerate the development of the sector to meet its growth aspirations. The country, though rich in coal and abundantly endowed with renewable energy in the form of solar, wind, hydro and bio energy has very small hydrocarbon reserves (0.4% of the world's reserve). India, like many other developing countries, is a net importer of energy, more than 25 percent of primary energy needs being met through imports mainly in the form of crude oiland natural gas. The rising oil import bill has been the focus of serious concerns due to the pressure it hasplaced on scarce foreign exchange resources and is also largely responsible for energy supply shortages. On the consumption front, the industrial sector in in accounting for about 52 percent of commercial energy consumption. Per capita energy consumption in India is one of the lowest in the world.

The total installed capacity of power station in India is 343898.39 MW as on May 2018. The figure below shows the installed capacity source wise.



Source: CEA monthly reports
http://www.cea.nic.in/reports/monthly/installedcapacity/2018/installed_capacity-05.pdf

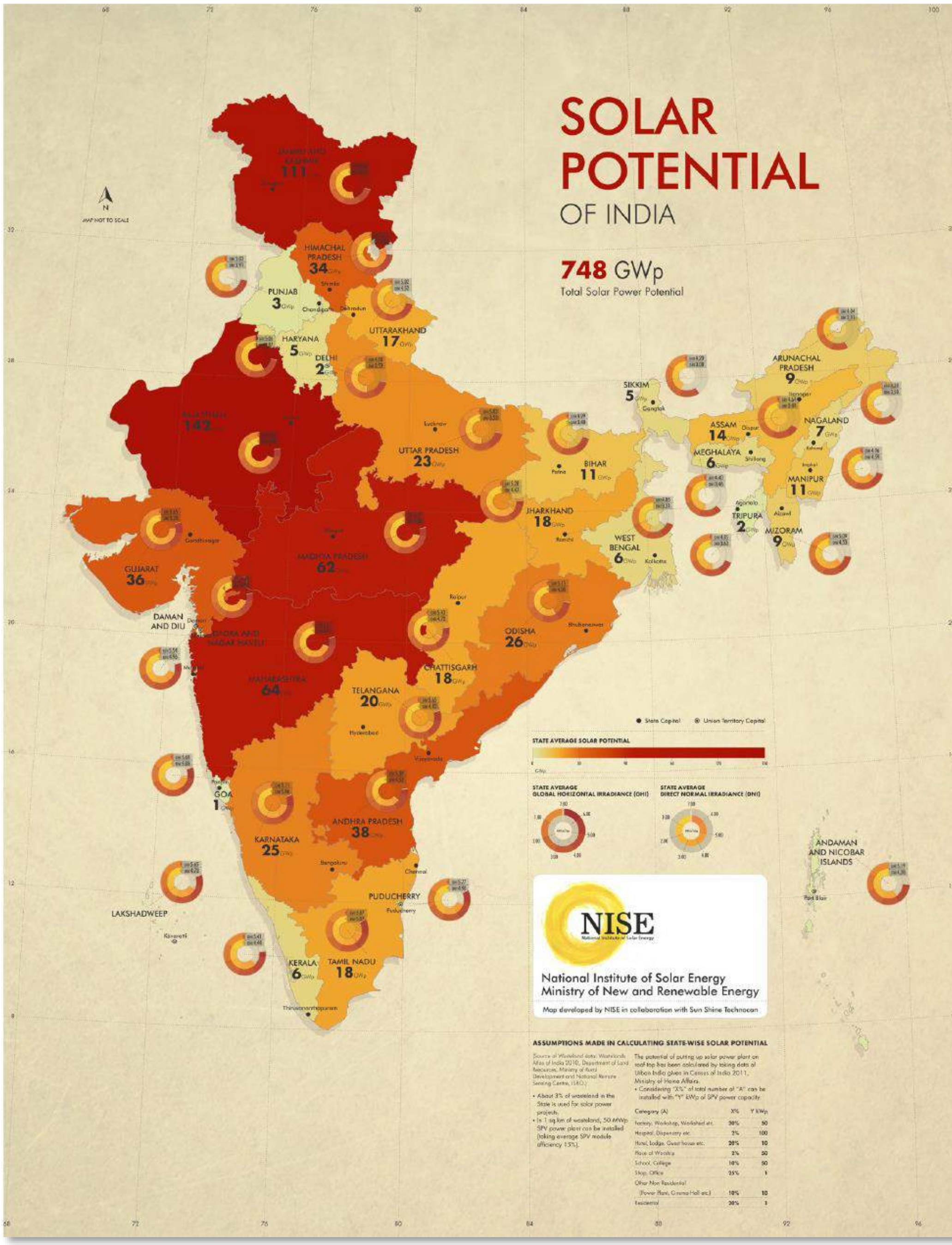
Renewable Energy in India

India has one of the largest and fastest growing economies in the world, as well as an expansive population of over 1.2 billion people. There is a very high demand for energy, which is currently satisfied mainly by coal, foreign oil and petroleum, which apart from being a non-renewable and therefore non-permanent solution to the energy crisis, is also detrimental to the environment. India is blessed with an abundance of sunlight, water and biomass. India receives approximately 5000 trillion kWh per annum of equivalent energy from solar radiation and also has approximately 300 clear sunny days in a year. Vigorous efforts during the past 2 decades are now bearing fruits, as people in all walks of life are more aware of the benefits of renewable energy, especially decentralized energy which is required in villages and in urban or semi-urban centers. India has the world's largest programme for renewable energy. Indeed, it is the only country in the world to have an exclusive ministry for renewable energy development, the ministry of new & renewable energy(MNRE). Since its formation, the Ministry has launched one of the world's largest and most ambitious programme on renewable energy. Based on various promotional efforts put in place by MNRE, significant progress is being made in power generation from renewable energy sources. In order to harness the solar potential and promote the deployment of soalr energy for power generation and other uses, the Hon'ble Ministry of New & Renewable Energy (MNRE) has launched the Jawaharlal Nehru National Solar Mission(JNNSM). On January, 11, 2010, Prime Minister Manmohan Singh has launched the Jawaharlal Nehru National Solar Mission (JNNSM) on under the brand name "Solar India".

Solar Potential in India

India is endowed with vast solar energy potential. About 5,000 trillion kWh per year energy is incident over India's land area with most parts receiving 4-7 kWh per sq. m per day. Hence both technology routes for conversion of solar radiation into heat and electricity, namely, solar thermal and solar photovoltaics, can effectively be harnessed providing huge scalability for solar in India. Solar also provides the ability to generate power on a distributed basis and enables rapid capacity addition with short lead times. Off-grid decentralized and low-temperature applications will be advantageous from a rural electrification perspective and meeting other energy needs for power and heating and cooling in both rural and urban areas. From an energy security perspective, solar is the most secure of all sources, since it is abundantly available. Theoretically, a small fraction of the total incident solar energy (if captured effectively) can meet the entire

country's power requirements. It is also clear that given the large proportion of poor and energy un-served population in the country, every effort needs to be made to exploit the relatively abundant sources of energy available to the country. While, today, domestic coal based power generation is the cheapest electricity source, future scenarios suggest that this could well change.
(Source: MNRE https://mnre.gov.in/solar)



(*Source: National Institute of Solar Energy, Ministry of New & Renewable Energy*)

GOVERNMENT POLICIES

India is endowed with vast potential of solar power and the Government and many privateorganizations are keen to tap this resource to improve the availability of power bypromoting the establishment of solar energy based power projects, both grid-connected andoff-grid type. There is tremendous scope for the development of renewable energytechnologies in India. Many renewable power projects are being implemented by variousGovernment and private organizations, realizing this vast potential. Today India is fastbecoming one of the world's most attractive markets for Renewable Energy investments.

India's rise has been due to the effective policy and regulatory support for development ofRenewable Energy Technologies (RETs). Various policy measures such as Jawaharlal Nehru National Solar Mission (JNNSM) Feed-in-Tariff, Accelerated Depreciation (AD), Generation Based Incentives (GBI), Renewable Purchase Obligations (RPO) and Renewable Energy Certificates (RECs) have helped in therapid growth of Renewable Energy deployment in the country. Along with above demand and supply side measures to promote Renewable Energy growth in India, various states have come up with their state solar policies to provide an enabling framework for growth of Renewable Energy in India.

Gujarat Solar Power Policy 2009 was the first solar specific policy to be introduced in India, predating the National Solar Mission. The policy offered various incentives such as waiver ofcross-subsidy surcharge, electricity duty, and exemption from contract demand of upto 50%cut for industries with captive solar power projects, laying of dedicated transmission linesetc.Rajasthan Solar Power Policy 2011 aimed at developing Rajasthan as a global hub for solarpower with incentives such as generation based incentives, laying of dedicated transmissionlines, tariff based competitive bidding process on concept of bundling of Solar Power withequivalent amount of MW capacity of conventional power, REC mechanism, promotion ofdecentralized and off-grid solar applications, development of solar parks, reservation ofgovernment land for solar power projects, open access provision etc.

Karnataka Solar Policy (2014) envisaged development of 200 MW solar projects by 2021 through incentivessuch as tariff based competitive bidding, power purchase at pooled cost for REC projects etc.Madhya Pradesh Solar Policy offered incentives such as contract demand reduction forindustries with captive solar power plants, allocation of government land, exemption of 50%stamp duty for private land purchase, 4% grant in wheeling charges, 10 year exemption fromelectricity duty, banking of energy, VAT exemption, CDM benefits etc.

(Source: Project Report submitted to company by MITCON Consultancy)

FUTURE PROSPECTS:

The Government of India is committed to increased use of clean energy sources and is already undertaking various large-scale sustainable power projects and promoting green energy heavily. In addition, renewable energy has the potential to create many employment opportunities at all levels, especially in rural areas. The Ministry of New and Renewable Energy (MNRE) has set an ambitious target to set up renewable energy capacities to the tune of 175 GW by 2022 of which about 100 GW is planned for solar, 60 for wind and other for hydro, bio among other. India will need investments of around US$ 125 billion to reach this target.

It is expected that by the year 2040, around 49 per cent of the total electricity will be generated by the renewable energy, as more efficient batteries will be used to store electricity which will further cut the solar energy cost by 66 per cent as compared to the current cost. Use of renewables in place of coal will save India ₹ 54,000 crore (US$ 8.43 billion) annually.

(Source: https://www.ibef.org/industry/renewable-energy.aspx)

BUSINESS OVERVIEW

OVERVIEW

Our Company was incorporated on March 17, 1993 as "Katwa Udyog Limited" under the provision of the Companies Act, 1956. The name of the Company was changed to Shri Keshav Cements and Infra Limited and a fresh certificate of incorporation dated November 07, 2007 was obtained. The registered office of our company is situated at Jyoti Towers, 215/2, Karbhar Street, Nazar Camp, Vadgaon, Belgaum- 590 005.
Our Business segment can be divided into following segments:

1) Manufacturing and TradinginCement;
2) Generation of Electricity using Solar Power; and
3) Trading in Coal and Dealing in Petrol and Diesel.

Our cement plants and petrol pump are located at Bagalkot district, Karnataka and our solar power plant is located at Koppaldistrict Karnataka.

1. Cement Division

Presently we operate two cement manufacturing units, one operating with Vertical Shaft Klin (VSK) technology having a capacity of 300 TPD located in Kaladgi village, Bagalkot district **("PLANT 1")** and another unit operating with Rotary Klin technology having production capacity of 800 TPD located at Naganapur Village Bagalkot district ("**PLANT 2"**).

Our company began its business by taking over a 20 TPD sick cement plant from KSFC in a public auction in April 1993 which was located at Kaladgi village, Bagalkot, Karnataka **("PLANT 1")**. The said plant was refurbished and it restarted production in July 1993. Thereafter, further capacity of 130 TPD was added at the same site & commercial production was commenced in Aug 1995having clinker capacity of 150TPD and Cement crushing capacity of 150 TPD. It has later been increased to 300 TPD cement capapity.

During 2007 we took over one more sick unit from Debt Recovery Tribunal (DRT) Pune having a clinker and cement capacity of 200 TPD and located at Naganapur village, Bagalkot, Karnataka ("**PLANT 2"**). Soon after takeover, we revived the plant & made it fully operational. The plant was further refurbished to reduce the cost of Production.

In the year 2017, our company embarked on a major expansion plan for cement manufacturing plant located at Naganapur village, Bagalkot, Karnataka ("PLANT 2"). The said plants clinker capacity was increased from 200 TPD to 700 TPD and cementing capacity from 200 TPD to 800 TPD. The total cost of the project was ₹ 61.13 crores and the same was funded through Term loan from Syndicate Bank for an amount of ₹ 41.40 crores, balance by way of Unsecured loan from promoter(s) / promoter(s) group entities and internal accruals. The said expansion project was completed during March 2018.

2. Solar Power Division

The cement industry is highly energy intensive and power cost constitutes around 30% of the total manufacturing cost. The current power requirement of our cement plants is 12MW. To reduce the power cost at the plant, our company has set up a 20 MW PV based solar plant at Bisarhalli Village, Koppal, Karnataka, India. The said plant was set up at a cost of of ₹119.29 crores and was funded by term loan from Syndicate bank to the extent of ₹80.00 crores&balance through promoter's contribution as unsecured loan and Internal sources. The solar power plant has been commissioned since March 31, 2018.

The setting up of this solar plant has benifited our company by reduction in the power cost from ₹ 7.80 per unit to ₹ 2.70 per unit. Additionaly, the surplus power supplied to the third party will benefit us in the form of additional revenue. We have entered into an agreement/work order dated August 21, 2017 with Enrich Energy Pvt. Ltd. (Enrich) for providing operations and maintenance services of the solar plant. As per the agreement/work order O&M services shall be provided by Enrich for 10 years with option with the company to renew for another 15 years. The plant performance is guaranteed by Enrich with reward/penalties based on guaranteed performance. The minimum guarantee provided is 79% of Performance ratio.

Apart from the above, due to our successfully commissioning the solar plant by March 31, 2018, we have received following benefits.

a. Karnataka Power Transmission Company Limited **("KPTCL")** charges 7% of units procuded as Wheeling and Banking charge. We are exempt from the said charges for a period of 10 years. This will save the cost nearly to the extent of ₹160 lakhs p.a.
b. Due to the exemption fromCross Subsidy charges for 10 years, we would be in a position to enjoy competitive advantage leading to better net realisation.

3. <u>Trading in Coal and Dealing in Petrol and Diesel</u>

Our Company has also trading interest in Coal, Petrol and Diesel. The Company operates Petroland Diesel pump from the factory premise at Plant 2. The petrol & diesel pump was erected by the Company in the year 2010. During the Fiscal of 2018, we generated ₹1,102.84 lakhs as gross receipts from the sale of coal, petrol and diesel.

OUR COMPETITIVE STRENGTHS

We believe that the following are our competitive strengths.

1) Proven and experienced management team

We have been in the business for the past 25 years. Our founder & Chairman Emeritus Mr. H.D. Katwa has over four decades of business expertise. Our other promoters Mr. Venkatesh Katwa, Mr. Vilas Katwa & Deepak Katwa have over a decade of experience. Apart from our promoters, our company is also supported bysenior management team who have extensive experience in the operations of the business.

2) Strategic location of our manufacturing facility

Our Company operates an integrated cement manufacturing facility in Bagalkot District, Karnataka, which is located approximately close to Hubli, Goa, Belgaum and Kolhapur. Deposits of lime stone which is a major raw material for cement, is found in abundance in Karnataka in the district of Bagalkot. Logistics, in particular transportation, is one of the key elements of operating costs for a cement manufacturing company. Being located close to raw material procurement area &key markets such as Goa, Belgaum, Hubballi, Karwar and Mangalore helps us in reducing our transportation expense.

3) Popular brand in regional market

Presently the cement brands "JYOTI POWER" and "JYOTI GOLD" are very popular in the regional cement market. Our company supplies cement in North Karnataka, Coastal Karnataka, Goa and some parts of Maharashtra. Our company also markets its product under brand name "Keshav Cement" in markets like Bagalkot, Bijapur and Koppal. Currently due to aggressive marketing and using innovative techniques, the brand 'Keshav Cement' is being sold at premium prices and has reached North Karnataka and South Maharashtra. With the additional capacities added, now the company is in a better position to supply to such bigger markets utilizing over 90% of the capacity.

4) Focus on efficient use of technology & chemical properties of components

We have initiated many IT drives that gave good control over the production, quality and management parameters. The cement manufactured at our units are naturally alkaline in nature which prevents corrosion of the internal steel structure. Due to High CaO content in the limestone, the compressive strength achieved is superior compared to BIS specification for 53 grade cement. With lower silica content (<4%) in raw material, it results in better burning and increased grinding thus giving perfect bonding characteristics. Low manganese content helps expansion during the manufacturing process to reduce which contributes to crack-less surfaces.

5) Strong sales and marketing network

We believe that we have strong sales and distribution network capable of successfully marketing our brand and our products. As our cement products are marketed regionally, we focus our sales and distribution mainly in the states of Karnataka and Goa & South Maharashtra. As of March 31, 2018, our sales division comprised of 9 employees led by a Sales ManagerIn addition, our distribution network comprises over 430 dealers.

We have long-term relationships with our distributors and consignment agents, who are local entrepreneurs. We believe this gives us a unique advantage in providing us with knowledge of the demands and needs of customers in the regional markets where our agents are present and operate. Through our network of agents and dealers, we are able to reach a wide base of customers in the markets in which we operate.

6) Low cost of Production due to installation of solar power plant

During March 2018 we commissioned our 20 MW solar power plant. Power is a crucial component in the manufacturing process. Per unit cost of cement is high due to high variable cost (which comprises of Electricity cost) resulting into lower margins. Use of electricity generated from solar power plant will reduce the variable cost per unit resulting into lower cost of production. The setting up of this solar plant has benifited our company by reduction in the power cost from ₹ 7.80 per unit to ₹ 2.70 per unit. Additionaly, the surplus power supplied to the third party will benefit us in the form of additional revenue

OUR STRATEGIES

Cement is a product characterised by higher percentage of variable cost compared to fixed cost. Towards achieving the strategy of reducing the variable cost of production, our company has set up the 20 MW solar power plant thereby shifting the power cost in variable component to fixed cost. On an average we estimate the savings to the tune of 20% in total manufacturing cost. We have also recently completed our expansion programme of increasing the manufacturing capacities to 1100 TPD. Going forward our strategy is to focus on larger volumes and create large market area. We believe that creating a large geographical area hedges the risks of sales in a small geographical area. We intend to continue to leverage our experience and relationships with our customers to expand and diversify.

OUR PRODUCTS

Ordinary Portland Cement

Set out below are the two grades of Ordinary Portland Cement sold by our Company.

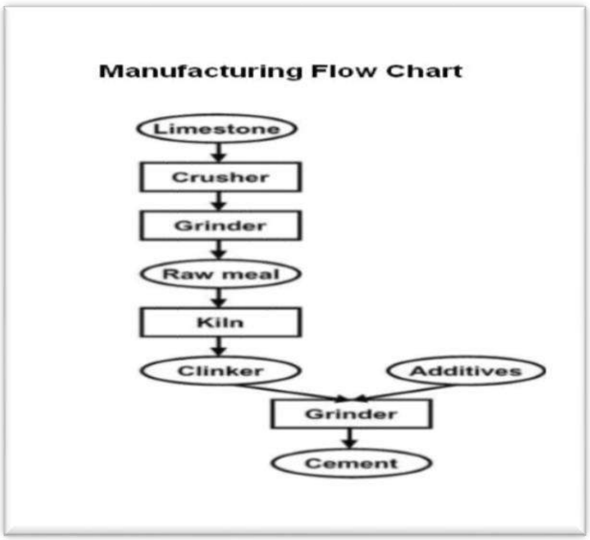
53 Grade OPC

This grade of cement is widely used in plain and reinforced cement concrete, masonry and plastering, for bridge piers, pre- stressed girders and electric poles, concrete pipes, pre- cast concrete, pre- stressed concrete, slip formed concrete, tall building and structures, R.C.C bridges, for cement concrete roads, for structural repairs and grouting, pre- stressed works, precast element, bridges, atomic power stations, railway sleepers, silos RCC pipe etc.

43 Grade OPC

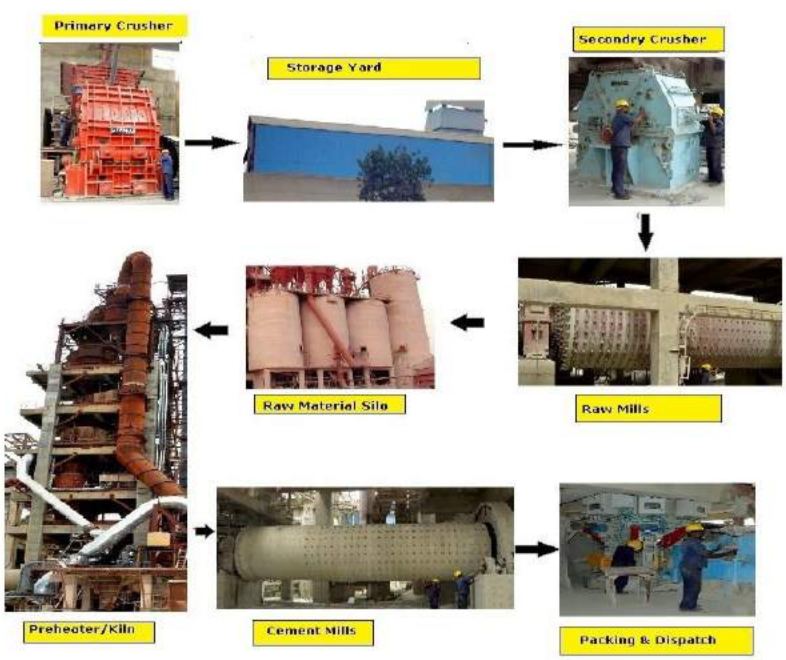
This grade of cement is widely used for all general and semi-specialized constructions like columns, beams, slabs and all structural works, manufacture of concrete blocks and tiles, brick and stone masonry, plastering and flooring, plain and RCC, precast, pre stressed slip formed concrete jobs, and commercial buildings, industrial constructions, multi- storied complexes, cement concrete roads, heavy duty floors etc.

CEMENT MANUFACTURING:- PROCESS



The brief write up on the manufacturing process of manufacturing clinker and cement is as givenhereinunder. Cement is primarily a processed mixture of limestone, sand, shale, clay and iron ore, with limestone being the major raw material.

(i) Manufacturing Clinker



Stage 1

Procurement of Limestone from Mines:- Limestone is procured from mines and transported for crushing.

Crushing:-Here the limestone is crushed to make particles suitable for blending and storage. At the crushing plant, a series of crushers and screens reduce the limestone rocks to a size less than 6 mm.

Stage 2

Raw mill grinding :- Raw material grinding is carried out through a dry process, wherein, each of the raw materials is fed in the right proportion to attain the desired chemical composition before being fed to a rotating ball mill. The raw materials are then dried with waste process gases and ground to less than 90 microns in size. The resultant mixture of material is known as 'raw meal'.

Blending and storage:- The raw meal is stored in a vertical continuous blending cum storage silo where it is pneumatically blended to ensure a uniform chemical composition. The thoroughly homogenized mixture is then fed to the pre heater.

Coal Crushing and Grinding:-The coal is blended to achieve a uniform heat value. The coal mixture is then crushed and ground in a ball mill up to 90 microns in size and stored in fine coal hoppers.

Stage 3

Pre-heating stage and kiln:-Pyroprocessing is carried out in a 5 stage preheater, calciner and rotary kiln with cooler. It takes place inside the pre-heater tower.

Raw meal from the storage silo is extracted at a defined rate and fed at the top of the pre-heater tower while being subjected to higher temperatures at every single stage of the 5 stages. High temperatures free the raw meal of all moisture and also do the preheating. After 4 stages, the raw meal enters the 'calciner' wherein calcium carbonate in the raw meal is decomposed into calcium oxide and carbon dioxide. The material is then fed to rotary kiln. The pre-heater tower and rotary kiln are made of a steel casing and lined with special refractory materials to protect it from not only the high temperatures in the kiln but also from reactions with the raw meal and gases in the kiln, abrasion and mechanical stresses induced by deformation of the kiln shell as it rotates.

In the kiln, the calcination process is completed as the raw meal burns at 1,450 degree Celsius with fine coal fed through the kiln outlet and calciner. The raw material inside the kiln liquefies. During this heat treatment of raw meal, calcium oxide reacts with silica, alumina and iron oxides to form crystals of calcium silicates, calcium aluminates and calcium alumino ferrites etc. This process is called sintering. The reaction results in nodular product known as 'clinker' which has the desired hydraulic properties.

(ii) Manufacturing Clinker to Cement

Stage 4

Final Grinding and blending:-The clinker along with gypsum and fly-ash are grounded together in ball mills in defined proportions to form the final cement products. Fineness of the final products, amount of gypsum added, and the percentage of fly-ash added are all varied to develop the product variants and different grades of cement.

UTILITIES

(i) Raw Materials

For the purpose of manufacturing of cement, the main raw material used are Limestone, Coal, Gypsum, Iron ore and Fly Ash. Lime stone constitutes 95% of the total raw material requirement. Limestone is sourced from nearby mines at Lokapur thereby reducing transportation cost. The other raw materials are also sourced from areas such as Gypsum from Tuticorin, Tamilnadu, Coal from Mangalore Port, Fly Ash from Raichur in North Karnataka, and Iron Ore from local nearby mines.

(ii) Water

Cement units do not consume large quantity of water. Water is used for abetting dust, and minimizing of dust pollution due to plying of vehicles in the plant. We have constructed overhead water tank of 35000 litre, which is used for both industrial and domestic requirements.

(iii) Power

Power is a major component in the manufacturing of cement. The sanction load by the HESCOM is 1.25 MW for Plant 1 and 4.5 MW for Plant 2.

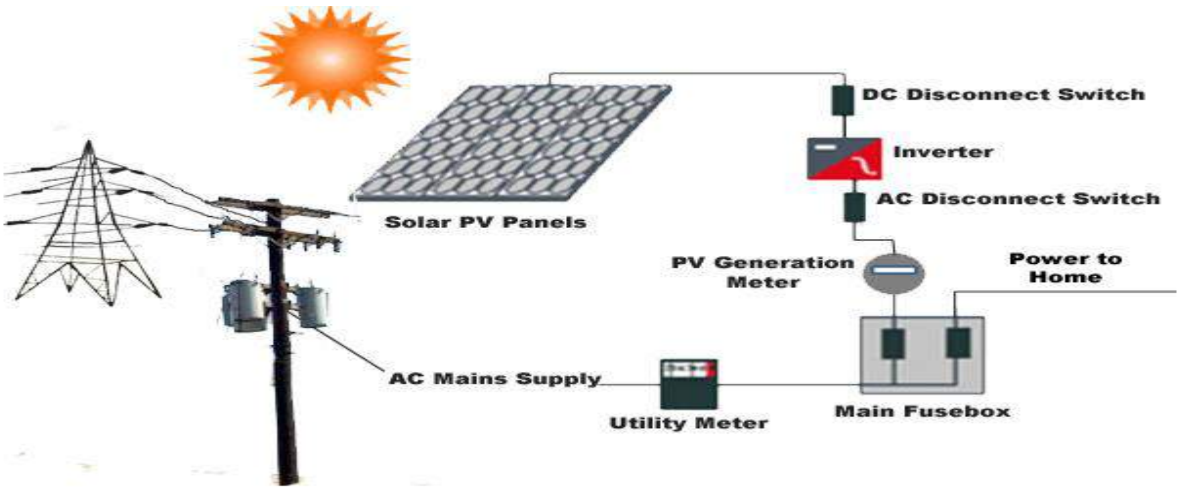
(iv) Capacity & Capacity Utilisation

The table below sets out our installed capacity and capacity utilization for the past three years as well as the future 3 years.

Particulars	FY 2015-16	FY 2016-17	FY 2017-18
Installed Cement Capacity(TPD)	350	350	350
Cement Production	113616	104011	101175
Utilization Level	98%	90%	88%

Particulars (Projected)	FY 2018-19	FY 2019-20	FY 2020-21
Installed Cement Capacity(TPD)	1100	1100	1100
Cement Production	254000	290400	326500
Utilization Level	70%	80%	90%

GENERATION OF ELECTRICITY FROM SOLAR POWER



Power supply is the crucial factor in manufacturing of cement. To overcome this, we have installed Solar Power plant of 20 MW capacity at Bisarhalli Village, Koppal District, Karnataka which commenced on March 31, 2018.

PROCESS:-

1) Installation of Solar Panels/Modules, Construction of Transformers and Meter Rooms

Our Company has installed solar PV modules, inverters, junction boxes, mounting structure and monitoring and data acquisition system. These modules are IEC certified. PV plant is designed for number of strings connected to inverters forming a modular plot. Each inverter takes load of strings. There are dedicated earthing stations for transformer, MV switch boards and high voltage panels.

2) Electricity Generation

Poly-crystalline solar photo-voltaic ("**SPV**") cells are manufactured from silicon wafers utilizing crystalline silicon SPV cell technology for converting sunlight directly into electricity through a process known as the "photo-voltaic effect". The electricity generated in solar panel is transmitted through cabling to inverter room.

The 20 MW solar PV plant has been configured into 4 modular plots, each comprising of 5 MW of solar PV with two 2500 kW inverters located at the center of each plot.

The PV modules are electrically connected with cables sized to minimize DC losses. The DC electrical output from the PV modules is fed through solar PV grade cables to junction boxes leading to inverters. The inverters convert the DC electrical output to AC. The cable routes from inverter leads to the MV transformers stepping up voltage to 110 kV.

3) Monitoring and SCADA System

The power plant is incorporated with a communication system to monitor the output of each string and inverter so that system faults can be detected and rectified before they have an appreciable effect on production. All the String Combiner Boxes, inverters, RMUs, MV Switchgear, switchyard equipments and utility metering shall be integrated with SCADA system.

SCADA system shall include Supervisory Station which refer to the server and software responsible for communicating with the field equipments, and then to the HMI software running on workstations in the control room, or elsewhere. An external communications link shall be provided to access all data acquisition and real time performance monitoring.

EMPLOYEE AND EMPLOYEE RELATIONS

Our success depends to a great extent on our ability to recruit, train and retain high quality professionals. Accordingly, we place special emphasis on the human resources function in our Company. The following table sets forth employee details as on March 31, 2018:

Sr. No.	Management	No.
1	Top Management	33
2	Middle Management	70
3	Lower Management	96
	Total	**199**

Following are the benefits given to the employees:-

a) **Accommodation**
We provide to some of our employees accommodations facilities near our Plant 2. We have constructed employee quarters to provideaccommodation.

b) **Provident Fund and Employees State Insurance and Gratuity**
The Company is adhering to the norms laid down by the central government in relation provident Fund and Employees State Insurance and making regular contribution towards same. We have also taken group gratuity insurance and gratuity benefits are also provided to the employees.

MARKET

With Indian economy booming and per capita consumption of cement less than 200 kg, huge pending infrastructure development will be a great catalyst to growth, the prospects of our company are on brighter side. In fact, in the areas of market where our company is operating, there are not many major cement plants except two being J K Super Cement and Dalmia Cement. Due to proximity of target markets, the company has an edge over the pricing in this price-sensitive commodity with better realization. All the major cement plants are located in Kalburgi district which is far from the markets like Goa, South Maharastra and North Karnataka. These markets are catered by just 4-5 cement plants including ours in north Karnataka. Presently the cement brands “JYOTI POWER” and “JYOTI GOLD” are very popular in the regional cement market. Our company supplies cement in North Karnataka, Coastal Karnataka, Goa and some parts of Maharashtra. Our company also markets its product under brand name “Keshav Cement” in other markets. Currently due to aggressive marketing and using innovative techniques, the brand ‘Keshav Cement’ is being sold at premium prices and has reached markets in North Karnataka and South Maharastra. With the additional capacities added, now the company is in a better position to supply to bigger markets like Pune and Bangalore utilizing over 90% of the capacity

Karnataka Power Transmission Company Limited **(“KPTCL”)** charges 7% of units procuded as Wheeling and Banking charge. We are exempt from the said charges for a period of 10 years. This will save the cost nearly to the extent of ₹160 lakhs p.a. Due to the exemption from Cross Subsidy charges for 10 years, we would be in a position to enjoy competitive advantage leading to better net realisation

INTELLECTUAL PROPERTY

Our Company has a registered trademark, details of which are set out below:

Sr. No.	Particulars	Authority	Trade Mark No.	Registration Date	Date of Expiry
1.	Keshav Cements	The Trademark Registry, Government of India	1668171	13/08/2010	13/08/2020
2.	Jyoti Power	The Trademark Registry, Government of India	1660933	28/10/2010	28/10/2020

IMMOVABLE PROPERTY:

The details of the Owned properties and leased properties is given below:

Owned

Sr. No.	Agreement	Area	Parties	Description of the Property	Purpose of use
1.	Original sale deed executed between the parties on June 26, 1997.	14 acres 36 guntas	**Seller:** Karnataka State Financial Corporation **Buyer:** Shri Keshav Cements and Infra Ltd.	346,69/1&2, Kaldagi Village, Tq. Bagalkot, Dt. Bagalkot	**Plant No. 1**for Manufacturing of Cement
2.	Initially it was taken on lease and Lease cum sale deed agreement executed on dated September 11, 2007 then after to sale deed was executed on February 29, 2016.	For 35.15 acres	**Seller:** Karnataka Industrial Areas Development Board **Buyer:** Shri Keshav Cements and Infra Ltd	Kaldagi Village, Tq. Bagalkot, Dt. Bagalkot	**Plant no. 2** for Manufacturing of Cement 346,69/1&2
3.	Sale Deed executed on November 10, 2017	95.06 acres	**Seller:** Vilas H. Katwa **Buyer:** Shri Keshav Cements and Infra Ltd.	Shri Krisha Solar Power, Survey No. 241, Village Biserahalli, Taluka Koppal, Dt Kopal. Karanataka-583231	**Solar Power Project Plant**
	Sale Deed executed on November 10, 2017		**Seller:** Prajakta Katwa, Deepak Katwa **Buyer:** Shri Keshav Cements and Infra Ltd.		
	Sale Deed executed on November 10, 2017		**Seller:** Moulasab Kurbansab Ali Ahmed Nabeesab **Buyer:** Shri Keshav Cements and Infra Ltd		
	Sale Deed executed on November 10, 2017		**Seller:** Moulasab **Buyer:** Shri Keshav Cements and Infra Ltd.		
	Sale deed executed on December 13, 2017		**Seller:** Vilas katwa **Buyer:** Shri Keshav Cements and Infra Ltd.		
	Sale deed executed on December 13 2017		**Seller:** Prajakta Katwa **Buyer:** Shri Keshav Cements and Infra Ltd.		

Sr. No.	Agreement	Area	Parties	Description of the Property	Purpose of use
	Sale deed executed on December 13 2017		**Seller:** Deepak Katwa **Buyer:** Shri Keshav Cements and Infra Ltd.		
	Sale deed executed on January 12, 2018		**Seller:** Kasheemsab, Maheboobsab **Buyer:** Shri Keshav Cements and Infra Ltd.		
	Sale deed executed on February 12, 2018		**Seller:** Vilas H. Katwa **Buyer:** Shri Keshav Cements and Infra Ltd.		

Leased

Sr. No.	Agreement	Amount	Parties	Period	Description of the Property	Purpose of use
1	Lease Deed executed on 16th June 2016	1,80,000 p.a (15,000 p.m)	**Lessor-** Venkatesh H. Katwa, Vilas H. Katwa, Deepak H. Katwa, **Lessee-** Shri Keshav Cements and Infra Ltd	The schedule property is leased for a period of 15 years commencing from 1st April 2016	Jyoti Towers, 215/2, Karbhar Street, Nazar Camp, Vadgaon, Belgaum- 590005	Registered Office of our Company
2	Agreement dated August 16, 2017	4,000 p.a	**Lessor-** Bharat Nalawade **Lessee-** Shri Keshav Cements and Infra Ltd	The schedule property is leased for a period of 11 months commencing from July 31, 2017*	House No. 387, Kagwad Road, Mahishal, Maharashtra	Warehouse
3	No agreement**	NIL	**Lessor-** Katwa Construction Company Private Ltd. **Lessee-** Shri Keshav Cements and Infra Ltd	Not defined	Jyoti Estate Building, A/2 Shop No. G-7, Corlim, Goa	Warehouse

* The tenor of the said agreement is expired and is yet to be renewed.
**Our Company has been using said premises belonging to one of our group companies. There has been no formal agreement enrered into by us for the said arrangement.

INSURANCE:

We believe that we maintain all material insurance policies that are customary for companies operating in similar businesses. We have taken standard fire policy in addition to the special perils policy cover to insure our plant, machinery, building and stocks in godown. In addition to the above, we also maintain insurance coverage againstlosses occasioned by fire, earthquake, etc.

KEY INDUSTRY REGULATIONS

Our Company is engaged primarily in the business of manufacture of paint in India. We are regulated by a number of central and state legislations. Additionally, our functioning requires the sanction of concerned authorities, at various stages, under relevant legislations and local by-laws.

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company and its business. The information detailed in this chapter, is based on the current provisions of Indian laws which are subject to amendments, changes and modifications. The information detailed in this chapter has been obtained from sources available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

INDUSTRY SPECIFIC LAWS

CEMENT CONTROL (AMENDMENT) ORDER, 1989

Pursuant to Notification No.1-5/89-Cem, dated March 1, 1989 (S.O. No. 168(E)), the Cement Control Order, 1967 (the "1967 Order") was amended, resulting in removal of the Government's control over price and distribution of cement. The amended 1967 Order, also known as the Cement Control (Amendment) Order, 1989, provides for maintenance of books relating to production, removal, sale and transfer of cement (excluding white cement) by the producer and furnishing of returns or such other information as may be specified by the Central Government. The Cement Control (Amendment) Order, 1989 also provides for the maintenance of a Cement Regulation Account by the Development Commissioner for the cement industry. The amount credited in this account is to be used, inter alia, for reimbursing the producer towards equalizing freight or concession in the matter of export price.

CEMENT CESS RULES, 1993

The Cement Cess Rules, 1993, impose a cess on the manufacture of cement. The Cement Cess Rules provide for monthly returns to be filed by the producer with the appropriate authority and the amount due every month to be deposited by the 15th of the subsequent month. The proceeds of the cess are to be utilized for research and development in cement manufacturing and persons engaged in cement industry.

CEMENT (QUALITY CONTROL) ORDER, 2003

The Cement (Quality Control) Order, 2003, has been framed under the Bureau of Indian Standards Act, 1986, as amended, and prohibits sale, manufacture and distribution of cement which does not meet the quality requirements specified by the Bureau of Indian Standards or does not bear the standard mark, and requires a manufacturer of cement to make an application to the Bureau of Indian Standards for obtaining a license for use of the standard mark.

PETROLEUM ACT, 1934 ("PETROLEUM ACT") AND THE PETROLEUM RULES, 2002 ("PETROLEUM RULES")

The Petroleum Act consolidates and amends the law relating to the import, transport, storage, production, refining and blending of petroleum and applies to the whole of India. The Petroleum Act and Rules define the various classes of petroleum based on the flash point of the same, and prescribe the conditions to be followed in blending, refining, storing and transporting petroleum. The standards of safety are also prescribed, with regard to the containers in which petroleum is to be stored, the manner in which petroleum must be transported and stored and the precautions to be taken with regard to the same. According to the Petroleum Act, licenses must be obtained for the storage and transport of certain classes of petroleum beyond prescribed quantities. The Petroleum Act and Rules also specify the permissions to be for the import and export of petroleum. Further, the Petroleum Act and Rules impose obligations on the licensees under the said statute, that in case of accident, the same must be reported immediately to the Chief Controller of Explosives.

ESSENTIAL COMMODITIES ACT, 1955

The Essential Commodities Act allows the Central Government to regulate, if necessary in the public interest orfor ensuring efficient distribution at fair prices, the production, supply and distribution of essential commodities, which include petrol and petroleum products and is subject to various controls in terms of the provisions of theEssential Commodities Act. As the Company intends to function as an export oriented business, the likelihoodof this regulation impacting the proposed project in the foreseeable future is not expected.

THE PETROLEUM AND NATURAL GAS RULES, 1959 ("PNG RULES")

The PNG Rules are formulated under the Oilfields (Regulation and Development) Act, 1948 to regulate the grant of exploration licenses and mining leases in respect of petroleum and natura gas which belongs to Government, and for conservation and development thereof. No person shall prospect for petroleum except in pursuance of a petroleum exploration license, granted under the PNG Rules. Further, no person shall mine petroleum except in pursuance of a petroleum mining lease granted under the PNG Rules. The said license or lease shal be obtained by the Central Government or the State Government, as the case may be and the license or lease shall be subject to the conditions and covenants contained therein.

Subject to the Oilfields (Regulation and Development) Act, 1948 or any rules made thereunder and subject also to terms of agreement that may be arrived at between the Central Government and the licensee or lessee after consultation with the State Government, every licensee shall have the exclusive right to carry out in addition to geological and geophysical surveys, information drilling and test drilling operations for petroleum in the area covered by the license and shall have the exclusive right to a lease over such part of the land covered by the license as he may desire. Every lessee shall have the exclusive right to conduct mining operations for petroleum and natural gas in and on the land demised by such lease.

Government of India amended the PNG Rules in 2009 to provide that a licensee or lessee is required to provide to Government of India or its designated agency, being the DGH, all data obtained or to be obtained as a result of petroleum operations under the license or lease, including geological, geophysical, geochemical, petrophysical, engineering, well logs, maps, magnetic tapes, cores, cuttings and production data, as well as all interpretive and derivative data, including reports, analysis, interpretations and evaluations prepared in respect of petroleum operations.

ELECTRICITY ACT

The Electricity Act is the central legislation which covers, among others, generation, transmission, distribution, trading and use of electricity. Under the Electricity Act, the transmission, distribution and trade of electricity are regulated activities that require licenses from the Central Electricity Regulatory Commission (**"CERC"**), theState Electricity Regulatory Commissions (**"SERCs"**) or a joint commission (constituted by an agreemententered into by two or more state governments or the central government in relation to one or more state governments, as the case may be).

The generating company is required to establish, operate and maintain generating stations, tie-lines, sub-stations and dedicated transmission lines. Further, the generating company may supply electricity to any licensee or even directly to consumers, subject to availing open access to the transmission and distribution systems and payment of transmission charges, including wheeling charges and open access charges, as may be determined by the relevant electricity regulatory commission. In terms of the Electricity Act, open access means the non-discriminatory provision for the use of transmission lines or distribution system or associated facilities with such lines or system, by any licensee or consumer or a person engaged in generation in accordance with the regulations specified by the relevant electricity regulatory commission.

Under the Electricity Act, the appropriate commission shall specify the terms and conditions for the determination of tariff, and one of the guiding factors in doing so shall be the promotion of co-generation and generation of electricity from renewable sources of energy. The SERCs under the Electricity Act are also required to promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of adistribution license.

The Electricity (Amendment) Bill, 2014 was introduced to amend certain provisions of the Electricity Act.Among others, the amendment empowers the GoI to establish and review a national renewable energy policy, tariff policy and electricity policy. Further, the GoI may in consultation with the state governments, notify policies and adopt measures for promotion of the national renewable energy fund, development of the renewable energy industry and for effective implementation and enforcement of related measures.

NATIONAL ELECTRICITY POLICY

The GoI approved the National Electricity Policy on February 12, 2005, in accordance with the provisions of theElectricity Act. The National Electricity Policy lays down the guidelines for development of the power sector including renewable energy and aims to accelerate the development of power sector by providing supply of electricity toall areas and protecting interests of consumers and other stakeholders. The National Electricity Policy provides that the SERCs should specify appropriate tariffs in order to promote renewable energy, until renewable energy power producers relying on non-conventional technologies can compete with conventional sources of energy. The SERCs are required to ensure progressive increase in the share of generation of electricity from renewable energy sources and provide suitable measures for connectivity with grid and sale of electricity to any person. Further, the SERCs are required to specify, for the purchase of electricity from renewable energy sources, a percentage of the total consumption of electricity in the area of a distribution licensee. Furthermore, the National Electricity Policy provides that such purchase of electricity by distribution companies should be through acompetitive bidding process. The National Electricity Policy permits the SERCs to determine appropriate differential prices for the purchase of electricity from renewable energy power producers, in order to promoter enewable sources of energy.

BUREAU OF INDIAN STANDARDS RULES, 1967

The Government felt the ever increasing need for strengthening the National Standards setting body and according it a statutory status. In 1986 the Bureau of Indian Standards (BIS) Act 1986 was promulgated and on 1 April 1987, the newly formed BIS took over the staff, assets, liabilities and functions of erstwhile Indian Standard Institution. The setting up of BIS is aimed at achieving a quality culture and creating quality consciousness in the country. The BIS is a forum where the Government in consultation with the industry associations & the consumers establishes the National Standards of quality that are in conformity with the international standards.

THE STANDARDS OF WEIGHTSLND MEASURES ACT, 1976 AND THE STANDARDS OF WEIGHTS AND MEASURES (PACKAGED COMMODITIES) RULES' 1977

This Act was enacted to establish standards of weights and measures, to regulate inter-State trade or commerce in weights, measures and other goods which are sold or distributed by weight, measure or number, to provide for matters connected therewith or incidental thereto. Under the Act, weight and measures also include 'weighing or measuring instrument' which means "any object, instrument, apparatus or device, or any combination thereof, which is, or is intended to be, used, exclusively or additionally, for the purpose of making any weighment or measurement, and includes any appliance, accessory or part associated with any such object, instrument, apparatus or device".

COMPETITION ACT 2002, RULES & REGULATIONS

In line with the international trend and to cope up with the changing realities India, consequently, enacted the Competition Act, 2002 (hereinafter referred to as "the Act"). Designed as an omnibus code to deal with matters relating to the existence and regulation of competition and monopolies, the Act is intended to supersede and replace the MRTP Act. It is procedure intensive and is structured in an uncomplicated manner that renders it more flexible and compliance-oriented. Though the Act is not exclusivist and operates in tandem with other laws, the provisions shall have effect notwithstanding anything inconsistent therewith contained in any other law.

ENVIRONMENT RELATED LEGISLATIONS

We are subject to various environment regulations as the operation of our establishments might have an impact on the environment in which they are situated. The Pollution Control Boards ("PCBs") are responsible to ensure that industries are functioning in compliance with the standards prescribed. The PCBs have the power of search, seizure and investigation. All industries are required to obtain consent orders from the PCBs, which are indicative of the fact that the industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be kept renewed.

Environment Protection Act, 1986 ("EPA")
This Act has been enacted with an objective of protection and improvement of the environment and for matters connected therewith. As per this Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the Act, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

Air Prevention and Control of Pollution Act, 1981 ("Air Pollution Act")
This Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. The central pollution control board and state pollution control boards constituted under the Water Pollution Act perform similar functions under the Air Pollution Act as well. Not all provisions of the Air Act apply automatically to all parts of India, and the state pollution control board must notify an area as an "air pollution control area" before the restriction under the Air Act applies.

Water Prevention and Control of Pollution Act, 1974 ("Water Pollution Act")
This Act aims to prevent and control water pollution and to maintain or restore water purity. The Water Pollution Act provides for one central pollution control board, as well as various state pollution control boards, to be formed to implement its provisions. Under the Water Pollution Act, any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the prior consent of the relevant state pollution control board.

Water (Prevention & Control of Pollution) Cess Act, 1977 ("Water Cess Act") and Water (Prevention & Control of Pollution) Cess Rules, 1978 ("Water Cess Rules")
This Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central and State PCB for the prevention and control of water pollution constituted under the Water Pollution Act. The Water Cess Rules have been notified under section 17 of the Water Cess Act and provide, inter alia, for the standards of the meters and places where they are to be affixed and the furnishing of returns by consumers.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")
These Rules define the term "hazardous waste" and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous or other waste is classified as an "Occupier". In terms of the Hazardous Waste Rules, Occupiers have been, inter alia, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license/ authorisation from the respective State PCB for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or similar activities in relation to hazardous waste. The Hazardous Waste Rules also prescribe the hierarchy in the sequence of

priority of prevention, minimization, reuse, recycling, recovery and co-processing. Further, State PCBs are mandated to prepare an inventory of the waste generated, waste recycled, recovered and utilized including co-processed, re-exported and disposed, based on annual returns received from occupiers and operators, and submit it to the Central Pollution Control Board on an annual basis.

Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Insurance Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

LAWS RELATING TO INTELLECTUAL PROPERTY RIGHTS

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for the protection of patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

The Trademarks Act, 1999

In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits the registration of trademarks for goods and services. The Trademarks Act governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademarks Act. An application for trademark registration may be made by individual or joint applicants by any person claiming to be the proprietor of a trade mark, and can be made on the basis of either use or intention to use a trademark in the future. 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 ten years, the mark lapses and the registration has to be restored. While both registered and unregistered trademarks are protected under Indian Law, the registration of trademarks offers significant advantages to the registered owner, particularly with respect to proving infringement. The Trademark (Amendment) Act, 2010 has been enacted by the Government of India to amend the Trademarks Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries, and to empower the Registrar of Trademarks to do so. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

Copyright Act, 1957

This Act protects literary and dramatic works, musical works, artistic works including maps and technical drawings, photographs and audio-visual works (cinematograph films and video).

Patents Act, 1970

This Act governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognise product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act stipulates that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The term of a patent granted under the Patents Act is twenty years from the date of filing of the application for the patent.

EMPLOYEE RELATED LEGISLATIONS

Factories Act, 1948

The Factories Act, defines a ‘factory’ to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and covers any premises where there are at least 20 workers who may or may not be engaged in an electrically aided manufacturing process. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the 'occupier' of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

Shops and establishments legislation

The provisions of shops and establishments legislations, as may be applicable in a state in which establishments are set up, regulate the conditions of work and employment and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work. The Bombay Shops and Establishments Act, 1948, as amended, is applicable to shops and commercial establishments in Maharashtra and there most states have promulgated legislation in this respect.

Others Employees regulations

Certain other laws and regulations that may be applicable to our Company in India include the followings:

- Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA")
- The Child and Adolescent Labour (Prohibition & Regulation) Act, 1986 and The Child and Adolescent Labour (Prohibition & Regulation) Amendment Act, 2016
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act")
- The Maternity Benefit Act, 1961 and The Maternity Benefit (Amendment) Act, 2017
- Industrial Disputes Act, 1947 ("ID Act")
- Workmen's Compensation Act, 1923
- The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
- The Employees State Insurance Act, 1948 ("ESI Act")
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("PF Act")
- Payment of Gratuity Act, 1972
- Payment of Bonus Act, 1965
- Minimum Wages Act, 1948
- The Payment of Wages Act, 1936

TAXATION & DUTY LAWS

Income Tax Act, 1961

The government of India imposes an income tax on taxable income of all persons including individuals, Hindu Undivided Families (HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public. The quantum of tax determined as per the statutory provisions is payable as: a) Advance Tax; b) Self-Assessment Tax; c) Tax Deducted at Source (TDS); d) Tax Collected at Source (TCS); e) Tax on Regular Assessment.

The Central Goods and Services Act, 2017:

The Central Goods and Service Tax Act, 2017, ("GST Act"), provides for the levy of a comprehensive tax on manufacture, sale and consumption of goods and service at a national level. The GST Act, has been passed to integrate all indirect taxes levied on goods and services by the Central and State governments in India. The GST Act levies a two-rate structure, namely: (I) a lower rate for necessary items and items of basic importance; and, (ii) a standard rate for goods in general. The GST Act also provides for a special rate for precious metals and a list of exempted items.

OTHER APPLICABLE LAWS

The Legal Metrology Act, 2009 ("Legal Metrology Act")
The Legal Metrology Act came into effect from April 1, 2011 replacing the Standard Weights and Measure, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. It was enacted to establish and enforce standards of weights and measures and to regulate trade and commerce in weights and measures and other goods which are sold or distributed by weight, measure or number. Under the Legal Metrology Act, all the manufacturers of packaged merchandise are required to obtain a license from Controller, Legal Metrology, and Government of India. Further, a company may also nominate a director who would, along with the company, be held responsible for any act resulting in violation of provisions of the Legal Metrology Act. The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export and import of packaged commodities and also provide for registration of manufacturers and packers.

The Legal Metrology (Packaged Commodities) Rules, 2011
These rules seek to establish and enforce standards of weights and measures, regulates trade and commerce in weights, measure and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. Unless any package in which the commodity is pre-packed bears thereon, or on a label in accordance to this rules is securely affixed thereto, no person can pack or cause or permit to be pre-packed any commodity for sale and distribution.

Consumer Protection Act, 1986
The Consumer Protection Act, 1986 ("COPRA") aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of these authorities attracts criminal penalties.

REGULATION OF IMPORTS & EXPORTS AND FOREIGN INVESTMENT
Quantitative restrictions on imports into India were removed with effect from April 1, 2001, as per India's World Trade Organization ("WTO") obligations, and imports of capital goods and automotive components were placed under the open general license category.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA")
The FTA seeks to increase foreign trade by regulating imports and exports to and from India. The FTA read with the Indian Foreign Trade Policy, 2015-20 provides that a person or company can make no exports or imports without having obtained an importer exporter code number unless such person or company is specifically exempt. An application for an importer exporter code number has to be made to the Office of the Joint Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories.

Foreign Trade Policy 2015-20 ("EXIM Policy")
Under the Foreign Trade Policy, the GoI is empowered to periodically formulate the EXIM Policy and amend it thereafter whenever it deems fit. All exports and imports have to be in compliance with such EXIM Policy. The EXIM Policy provides for certain schemes for the promotion of export of finished goods and import of inputs.

Export Promotion Capital Goods Scheme (the "EPCG Scheme")
The EPCG Scheme under the Foreign Trade Policy 2015-20 allows import of capital goods for pre-production, production and post-production at zero customs duty. Import under EPCG Scheme shall be subject to an export obligation equivalent to 6 times of duty saved on capital goods, to be fulfilled in 6 years

reckoned from date of issue of Authorisation. The EPCG Scheme covers manufacturer exporters with or without supporting manufacturer(s)/ vendor(s), merchant exporters tied to supporting manufacturer(s) and service providers.

Merchandise Exports from India Scheme ("MEIS")

The objective of Merchandise Exports from India Scheme (MEIS) is to offset infrastructural inefficiencies and associated costs involved in export of goods/products, which are produced/ manufactured in India, especially those having high export intensity, employment potential and thereby enhancing India's export competitiveness. Exports of notified goods/ products with ITC [HS] code, to notified markets as listed in the Scheme, shall be rewarded under MEIS.

Regulations regarding foreign investment

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") read with the applicable FEMA Regulations. FEMA replaced the erstwhile Foreign Exchange Regulation Act, 1973. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. The Department of Industrial Policy and Promotion ("DIPP"), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA Regulations. In case of any conflict, the FEMA Regulations prevail. Therefore, the regulatory framework, over a period of time consists of acts, regulations, press notes, press releases, clarifications among other amendments. The DIPP issued the consolidated FDI policy circular of 2016, dated June 7, 2016 (the "FDI Circular") which consolidates the policy framework on FDI issued by DIPP, in force on June 6, 2016 and reflects the FDI Policy as on June 7, 2016. The FDI Circular has been in effect from June 7, 2016. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP.

Capital instruments are required be issued within a period of 180 days from the date of receipt of the inward remittance received from non-resident investor. In the event that, the capital instruments are not issued within a period of 180 days from the date of receipt of the inward remittance, the amount of consideration so received is required to be refunded immediately to the non-resident investor by outward remittance. Non-compliance with the aforementioned provision shall be considered as a contravention under FEMA and would attract penal provisions.

OTHER LAWS

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder and other applicable statutes enacted by the Centre or relevant State Governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

HISTORY AND OTHER CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated under the name of Katwa Udyog Limited on March 17, 1993 at Bangalore, Karnataka as a Public Limited Company under the Companies Act, 1956. The certificate of commencement of business was issued by the RoC, Karnataka on July 19, 1993 and Our Company subsequently purchased sick unit with clinker and cement capacity of 100 TPD from KSFC at Kaladgi village, Bagalkot, Karnataka ("**PLANT 1"**). KSFC had taken over, under section 29 of SFC Act, assets comprising of land, building and machinery of a sick unit by name Sangam Cement Private Limited. Then after, Our Company has since added a further clinker and cement capacity of 130 TPD at the same site at a cost of ₹ 476 lakhs and the same has gone into commercial production in August 1994.

Subsequently, Our Company made an initial public offering in 1995 and listed its Equity Shares on the BSE Limited. Our Company raised capital of 512.42 lakhs which was oversubscribed by 12 times. The stocks are actively traded in Bombay Stock Exchange.

Thereafter, pursuant to a special resolution of the Shareholders dated September 24, 2007, the name of Our Company was changed to Shri Keshav Cements and Infra Limited. A fresh certificate of incorporation, consequent upon change of name of Our Company, was issued on November 7,2007.

During 2007 Our Company took over one more sick unit from Debt Recovery Tribunal (DRT) Pune having a clinker and cement capacity of 200 TPD and located at Naganapur village, Bagalkot, Karnataka ("**PLANT 2"**). Soon after takeover, we revived the plant & made it fully operational. Thesaid plant's clinker capacity was increased from 200 TPD to 700 TPD and cementing capacity from 200 TPD to 800 TPD

Thereafter, pursuant to a special resolution of the Shareholders dated September 28, 2017, amended the MOA by the adding Solar Clause as to carry on, manage, supervise and control the business of transmitting, manufacturing, supplying, generating, distributing and dealing in solar energy and power generated by solar.

Subsequently, our Company installed 20 MW Solar Powel Plant at Koppal District, and the said solar power plant started generating electricity on March 31, 2018. As on September 12, 2018, Our company received necessary permissions to sell the excess electricity generated to third party.

Corporate profile of our Company

For information on our Company's business profile, activities, services, managerial competence, and customers please see the chapters entitled 'Our Management', 'Business Overview' and 'Industry Overview' on pages 109, 84 and 75 respectively of this Draft Letter of Offer.

Changes in Registered Office

Except as disclosed below, there has been no change in the Registered Office of our Company:

Period	Details of change	Reasons for change
Fiscal 2000	Our Company shifted its registered office125, khade Bazar, Shahpur, Belagavi-590003 to Jyoti Tower, 215/2, 6th Cross Nazar Camp, Karbhar Galli, Madhavpur Vadgaon, Belagavi, Karnataka - 590 005	For smooth functing of Company business

Changes in name of our Company

Effective date	Details of change	Reasons for change
November 7, 2007	The name of our Company was changed from "Katwa Udyog Limited" to "Shri Keshav Cements and Infra Limited"	To be in consonence with the principle objects of the Company

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as follows:

1. *"To produce, manufacture, treat, process, refine, import, purchase, sell and generally to deal in and to act as brokers, agents, stockiest, distributors and suppliers of all kinds of cements (whether ordinary, white, coloured, portland, pozzolane, aluminum, blast furnace, silica, or otherwise), cement products, of any description, such as pipes, poles, slabs, asbestos sheets, blocks, tiles, garden wares and otherwise and articles, things, compounds, and preparations connected with the aforesaid products, and in conjunction therewith to take on lease or acquire, erect, construct, establish, work, operate, and maintain cement factories, quarries, mines, workshops and other works.*

2. *To produce, manufacture, purchase, refine, process, prepare, import, export, sell and generally to deal in cement, Portland cement, alumina cement, lime and lime stone, kanker, and or by-products thereof and building materials generally and in connection therewith to acquire, erect, construct and establish, operate and maintain cement factories, lime stone quarries, workshops and other works.*

3. *To carry on business of manufacturers, dealers, importers, exporters, designers and representatives of either India or foreign manufacturers in machinery, materials and equipments, accessories, spare parts, electronic, or mechanical equipments required in cement industries and other allied products mentioned above.*

4. *To carry on, manage, supervise and control the business of transmitting, manufacturing, supplying, generating, distributing and dealing in solar energy and power generated by Solar."*

The main objects as contained in the Memorandum of Association enable Our Company to carry on the business presently being carried out.

Amendments to the Memorandum of Association

Set out below are the amendments to the Memorandum of Association since the incorporation of Our Company.

Date of Shareholders' Resolution	Particulars
July 19, 1993	Received certificate for commencement of business
August 12, 1993	Authorised share capital of our Company of ₹1,00,00,000/- comprising of 10,00,000 equity share of ₹ 10/- easch was further increased to ₹ 1,40,00,000/- comprising of 14,00,000 equity share of ₹ 10 each.
August 25, 1994	The authorised share capital of our Company of ₹ 14,000,000/- comprising of 14,00,000 equity shares of ₹ 10/- each was further increased to ₹ 6,00,00,000/- comprising of 60,00,000 equity shares of ₹ 10/- each.
January 05, 1995	Listing of Equity Shares on the BSE
September 30, 2000	Change of registered office of our Company from 125, khade Bazar, Shahpur, Belagavi-590003 to Jyoti Tower, 215/2, 6th Cross Nazar Camp, Karbhar Galli, Madhavpur Vadgaon, Belagavi, Karnataka - 590 005
September 24, 2007	Change of name of Our Company from 'Katwa Udyog Limited to Shree Keshav Cement and Inra Shri Keshav Cements and Infra Limited
September 28, 2017	The authorised share capital of our Company of ₹ 6,00,00,000/- comprising of 60,00,000 equity shares of ₹ 10/- each was further increased to ₹ 12,00,00,000/- comprising of 1,20,00,000 equity shares of ₹ 10/- each
	The style of clause numbers of the memorandum of association be changed from Roman Style like I, II, III, etc. to English numeric like 1st, 2nd, 3rd, etc.

	Insert new sub-clause 4 under Clause 3rd (A) after sub-clause 3: "To carry on, manage, supervise and control the business of transmitting, manufacturing, supplying, generating, distributing and dealing in solar energy and power generated by solar."
	Delete the other objects Clause III(C) and insert the same other objects in the Clause 3rd (B) after clause no. 39 as below: 40. To carry on in India and elsewhere in any place or places in the world, the business of trade and finance agents, financiers, money lenders, company promoters, merchants, importers, underwriter, real estate agents, building contractors, suppliers of goods to Government, and other public and private bodies, shroffs, guarantee brokers, miners, carriers by land and water, ship boat and barge owners and builders, charters, wharfingers, warehousemen,commission and forwarding and other agents, marine, fire and other insurance, mucadum and brokers, packers, processors, peelers, spinners, weavers, bleachers, dyers, manufacturers, merchants and dealers in motor cars, airplane, ships, sub-marines, and in all or any merchandise commodities, goods, news, produce, products, iron brass founders, smelters, distributors, manufacturers, and makers of and dealers in dyes, colour, paints, varnishes, drugs, chemicals, oils, cements and manures or any one or more of such business in all of their respective branches. 41. To carry on the business as manufacturers of and dealers in indigenous dyestuffs, synthetic dyestuffs, including substantives, aids, mordent, sulphur, vat, solublished vat, azoic, salts, naphthols, direct colours, basic and rapid fast colours, aniline black and all kinds and classes of dyestuffs, pigments and colours. 42. To carry on business of imports and exports, manufacturers of and dealers in chemicals, iron, steels, alloy, steel of any nature and kind whatever and as wholesale or retail chemists, druggists, analytical or pharmaceutical chemists, oil and colour men, importers, exporters and manufacturers of and dealers in heavy chemicals,oilseeds, acids, drug, trains, essences, pharmaceutical, sizing, medicinal, chemical, industrial, and other preparations articles of any nature and kind whatsoever, mineral and other waters, soaps, cements, oils, fats, paints, varnishes, compounds, rubber, chemicals or preparations, drugs, dyestuffs, organic or mineral intermediates, paints and paints colour grinders, makers of and dealers in articles of all kinds of electrical, chemical, photographical, original and scientific apparatus and material and to manufacture, refine, manipulate, import and deal in salts and marine minerals, and their derivatives, by products and compounds of any kind whatsoever. 43. To produce, manufacture, process, treat, purchase, sell or otherwise deal with either as principals or Agents either solely or in partnership with others, chemicals, of all kinds including acids, alkalies, and salts, manures, fertilizers, dyes, caustic soda, soda ash, sulphur, magnetite, dry ice, catechu, celotex, asbestos, building boards, to be used in calling floor or walls, made from any fibrous materials such as bagases, bumper, weevil paper, Jute, hemp, fireclay, and fire bricks, flooring tiles and roofing materials, etc. 44. To provide and construct refreshment rooms, newspapers and reading rooms, writings rooms, dressing room, telephone and other conveniences for the use of customers and others. 45. To carry on all or any of the business of manufacturers and sellers or dealers and workers in cement of all kinds, concrete, asbestos, gypsum, coal,

	jute hessian, cloth, gunny bags, paper bags, lime. plaster, whiting clay, bauxite, soap stone, ochers, paints, fixing materials gravel(Sand) bricks, tiles, pipes, pottery, earthenware, artificial stone and manufacturers, builders and dyers' requisites of all kinds. 46. To carry on the business of cotton and polyester sarees, polyester clothes, cotton & polyester and silk fabrics, cotton and polyester spinners and doubles wool, silk and hemp spinners, lines manufacturers and to spin, weave and manufacture yarn. Clothes, silks, woollen synthetics and all types of fabricincluding manmade fabrics and other textile goods and shall also carry on the business of dyers, printing, bleaching of yarns, clothes, fabrics, cotton, wool, silks and other staples, fabrics of all kinds including man & machine made polyester cotton and silk material.
	The existing liability clause no. 4th be substituted in line of new clause provided as per the Companies Act, 2013: "4th. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."

For further details, see section entitled 'Risk Factors - Some of the forms filed by us with the Registrar of Companies and our records in that respect are not traceable.' at page 14 of this Draft Letter of Offer.

Major events and milestones of our Company

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

Calendar Year	Particulars
1993	Our company began its business by taking over a 20 TPD sick cement plant from KSFC in a public auction in April 1993 which was located at Kaladgi village, Bagalkot, Karnataka.
1995	The Company came out with its initial public issue and got its shares listed in BSE Ltd.
	Further capacity of 130 TPD was added at the same site (i.e. Kaladgi village) & commercial production was commenced in Aug 1995 having clinker capacity of 150TPD and Cement crushing capacity of 150 TPD.
2007	We took over a sick unit from Debt Recovery Tribunal (DRT) Pune having a capacity of 200 TPD and located at Naganapur village, Bagalkot, Karnataka.
2017	Our Company embarked on a major expansion plan for cement manufacturing plant at Naganapur Village, Bagalkot whereclinker capacity increased from 200 TPD to 700 TPD and cementing capacity from 200 TPD to 800 TPD.
2018	Completion of expansion
2018	Commencement of 20 MW Solar Power Plant at Koppal District

Other Details Regarding our Company

For further details regarding the description of our activities, the growth of our Company, technology, the standing of our Company in relation to the prominent competitors with reference to its products, management, segment, capacity/ facility creation, location of plant, market capacity build-up, marketing and competition please see chapters entitled 'Business Overview' and 'Industry Overview' on page 84 and 75, respectively. Since the acquisition of our Company by the Promoter, there have been no lock-outs or strikes at any time in our Company and our Company is not operating under any injunction or restraining order. For further details regarding our management and its managerial competence please see the chapter entitled 'Our Management' on page 109 of this Draft Letter of Offer.

Details regarding acquisition of business/ undertakings, mergers, amalgamation, revaluation of assets, if any

While our Company has Purchased certain entities in the past, there have been no acquisition of any entity, business or undertaking nor has undertaken any merger, amalgamation or revaluation of assets, since Initial public offering.

Capital raising activities through equity and debt

Except as mentioned in chapter entitled 'Capital Structure' on page 58 of this Draft Letter of Offer, our Company has not raised any capital through equity. For further details on the debt facilities of our Company please see chapter entitled 'Financial Indebtedness' on page 197 of this Draft Letter of Offer.

Defaults or rescheduling of borrowings with financial institutions/ banks and conversion of loans into equity

There have been no defaults or rescheduling of borrowings with financial institutions in respect of our current borrowings from lenders Further the unsecured loans availed has yet not been converted into equity. For further details, see the chapter entitled 'Capital Structure' on page 58 of this Draft Letter of Offer.

Time and cost overruns

Since the acquisition of our Company by the Promoter, there have been no time and cost overruns in the development or construction of any of our projects.

Changes in the activities of our Company during the last five years

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

Partnership Firms

Our Company is not a partner in any partnership firm.

Our Shareholders

Our Company has 5,712 Shareholders, as on September 21, 2018. For further details regarding our Shareholders please see chapter entitled 'Capital Structure' on page 58 of this Draft Letter of Offer.

Strategic or Financial Partners

As on the date of this Draft Letter of Offer, our Company does not have any strategic or financial partners.

Subsidiaries

As on the date of this Draft Letter of Offer, our Company does not have any subsidiaries.

Our Associates

As on the date of this Draft Letter of Offer, our Company does not have any associates.

Other Material Contracts

There are no material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

Revaluation of assets

Our Company has not revalued its assets since its incorporation.

Details of public/ rights issues made in the past five years

Except as disclosed in "*Capital Structure*" on page 58, our Company has not made public/ rights issues in the past five years.

Shareholders' agreements

As on the date of this Draft Letter of Offer, there are no subsisting Shareholders' agreements to which our Company is a party to. Further, to the extent that our Company is aware, there are no subsisting Shareholders' agreements which have been entered inter se our Shareholders, as on the date of this Draft Letter of Offer.

Our holding company

As on date of this Draft Letter of Offer, our Company does not have a holding company.

OUR MANAGEMENT

Board of Directors

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than fifteen Directors. As on the date of this Draft Letter of Offer, our Board comprises Six (6) Directors, of which three are Executive Directors, three are Non-Executive Directors including three Independent Directors.

Our First Directors were Mr. Hanamantsa Dongarsa Katwa, Ms. Narama Hanamantsa Katwa and Mr. Mohan Laxmansa Bevinkatti

The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations.

The following table sets forth the details regarding our Board of Directors as on the date of this Draft Letter of Offer:

Sr. No.	Name, Father's Name, Designation, Address, Occupation, Nationality & DIN	Age (years)	Other Directorships
1	**Name:** Mr. Venkatesh Hanamantsa Katwa **S/o:** Mr. Hanamantsa Dongarsa Katwa **Designation:** Executive Director and Chairman **Address:** Anusuya Niwas, II Cross Adarsh Nagar, Vadgaon, Belgaum-590005 **Occupation:** Business **Nationality:** Indian **Term:** September 28, 2017 to September 28, 2018 **DIN:** 00211504 **Date of appointment / reappointment :** September 20, 2017	45	**Public Limited Companies** 1. Katwa Infotech Limited 2. Katwa Finlease ltd. **Private Limited Companies** Katwa Construction Company Private Limited
2	**Name:** Vilas Hanamantsa Katwa **S/o:** Hanamantsa Dongarsa Katwa **Designation:** Managing Director **Address:** Anusuya Niwas, II Cross Adarsh Nagar, Vadgaon, Belgaum-590005 **Occupation:** Business **Nationality:** Indian **Term: Five Years:** May 27, 2017 to May 26, 2022 **DIN:** 00206015 **Date of appointment / reappointment :** May 27, 2017	42	**Public Limited Companies** Katwa Infotech Limited **Private Limited Companies** Katwa Construction Company Limited

Sr. No.	Name, Father's Name, Designation, Address, Occupation, Nationality & DIN	Age (years)	Other Directorships
3	**Name:** Mr. Deepak Hanamantsa Katwa **S/o:** Hanamantsa Dongarsa Katwa **Designation:** Executive Director/Chief Financial Officer **Address:** Anusuya Niwas, II Cross Adarsh Nagar, Vadgaon, Belgaum-590005 **Occupation:** Business **Nationality:** Indian **Term:** September 28, 2018 to September 27, 2023 **DIN:** 00206445 **Date of appointment / reappointment:** May 25, 2007 / September 28, 2018	40d	**Public Limited Companies** Katwa Infotech Limited **Private Limited Companies** Katwa Construction Company Private Limited
4	**Name:** Mr. Satish Dattusa Kalpavriksha **Designation:** Independent Director **Address:** Plot No. 40, 10th Cross, Bhagyanagar Road, Hindwadi, Belgaum-590011 **Occupation:** Employed **Nationality:** Indian **Term:** November 09, 2013 to November 08, 2018 **DIN:** 06679314 **Age:** 63 years **Date of appointment / reappointment :** November 09, 2013	63	**Public Limited Companies** **NIL** **Private Limited Companies** **NIL**
5	**Name:** Mr. Balasaheb Anantrao Mestri **Designation:** Independent Director **Address:** Flat No. 301, Sai Towers RC Nagar, Belagavi-590006 **Occupation:** Retired **Nationality:** Indian **Term:** August 12, 2017 to August 11, 2022 **DIN:** 07898493 **Date of appointment / reappointment :**August 12, 2017	64	**Public Limited Companies** **NIL** **Private Limited Companies** **NIL**
6	**Name:** Radhika Dewani Pinal **Designation:** Independent Director (Additional Director) **Address:** 08, Santosh Mrutyunjay Nagar, Tilakwadi, Belagavi-590006 **Occupation:** Business **Nationality:** Indian **Term:** December 12, 2017 to December 11, 2022 **DIN:** 07997099 **Age:** 45 years **Date of appointment / reappointment :**December 12, 2017	45	**Public Limited Companies** **NIL** **Private Limited Companies** **NIL**

Relationship between Our Directors

Name of the Director	Name of other Director	Relation
Vilas Hanamantsa Katwa	• Deepak Hanamantsa Katwa • Venkatesh Hanamantsa Katwa	Brothers
Deepak Hanamantsa Katwa	• Venkatesh Hanamantsa Katwa • Vilas Hanamantsa Katwa	Brothers
Venkatesh Hanamantsa Katwa	• Vilas Hanamantsa Katwa • Deepak Hanamantsa Katwa	Brothers

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Venkatesh Hanamantsa Katwa

Shri Venkatesh H Katwa, a graduate MBA from the University of Oklahoma, USA, is having wide experience in Cement industry, International business and Health Care service automations. After returning from USA in 1997, he took up his responsibility of Executive Director at KCIL. He later moved to promote Katwa Infotech Limited, a ITES serving medical and health care industry in USA. He established business development office in USA which is growing over 120% every year. Under his leadership, Katwa Infotech Limited has earned a respectable image and has been awarded as the highest and best exporter in north Karnataka since the award has been designated for last three consecutive years. The company with over 250 associates is growing rapidly and looking for over 100% growth this year too. Mr. Venkatesh is the Chairman at KCIL and working on executing projects of expansion and setting up of power project.

Vilas Hanamantsa Katwa

Shri Vilas Katwa, after graduating in B.E (Industrial Production) from Gogte Institute of Technology, Belgaum, completed his post graduation in MBA (Information Technology) from the University of Massachusetts, Boston; and stared his career in Information technology working as the chief systems engineer, in McCormack Institute of Public Affairs at U-Mass Boston. On returning to India, he joined at the Jt. Managing Director. As he gained experience in cement manufacturing he initiated many IT drives that gave good control over the production, quality and management parameters. During his time the company again gained its glory of giving dividends to its shareholders. Also being an engineer in Industrial and Production discipline, he has initiated many policies and systems that boosted production to its maximum capacity. He is now the managing director of the company and handles all the affairs He is currently working on operation to improve the product/services while reducing the cost by utilizing instrumentation techniques. One of the production facilities is completely electronically controlled making it the first production facility with such high level of automation in its category.

Deepak Hanamantsa Katwa

Shri Deepak Katwa, is a graduate MBA from the University of Oklahoma, United States. Having a very good commercial background he has made a very important contribution towards the finance and operations divisions of the company as well as the IT company that our group has established. It is during his time that the company continued to get three consecutive awards as the best exporter in North Karnataka for the IT division. His specialties are public relations, finance, operations and management. He is actively involved in settings up of the power plant to reduce the overall power cost for the cement plant.

Satish Dattusa Kalpavriksha

Mr. Satish Kalpavruksha, is qualified as B.com. CA. L.L.B. and having more than 30 years of work experience in Banking Sector. He has been appointed as an Independent Director (Non-Executive) of the Company w.e.f. November 09, 2013.

Balasaheb Anantrao Mestri

Mr. Balasaheb Mestri is having 35 years of experience in Banking Sector, retired as Sr. Manager (Risk Management). He is qualified as B.com. L.LB. CA L.L.B. He has been appointed as Independent Director of the Company w.e.f. August 12, 2017.

Radhika Dewani Pinal

Mrs. Radhika Pinal Dewani has been appointed as Non-Executive Independent Director in the Board of Shri Keshav Cements and Infra Limited since December 12, 2017. She has done her B.com degree from Sri Jagadguru Renukacharya College of Science Arts and Commerce, Bangalore.

BORROWING POWERS OF BOARD OF DIRECTORS OF COMPANY

Pursuant to resolution passed by our shareholders on August 12, 2014 and in accordance with the provisions of the Companies Act, our Board has been authorized to borrow money for the purposes of our Company upon such terms and conditions with/without security as the Board of Directors may think fit, provided that the money or monies to be borrowed together with the monies already borrowed by our Company (apart from the temporary loans obtained from our Company's bankers in the ordinary course of business) shall not exceed, at any time, a sum of ₹ 200 Crores.

CONFIRMATIONS

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on BSE and NSE, during the last five years prior to the date of this Draft Letter of Offer, during the term of his/her directorship in such company.

None of our Directors is or was, a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

None of our Directors have been or was identified as a wilful defaulter as defined under the SEBI ICDR Regulations or RBI.

None of the Directors of our Company are or were associated as a director of any other company against which SEBI has initiated any proceedings or investigations during the tenure of their directorship in such other company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him/ her or by the firm or company in which he/ she is interested, in connection with the promotion or formation of our Company

No arrangement or understanding have been entered with major shareholders, customer's suppliers or others pursuant to which any of the abovementioned Directors have been appointed on the Board or the senior management.

The Directors of our Company have not entered into any service contracts with our Companywhich provide for benefits upon termination of employment.

REMUNERATION/COMPENSATION/COMMISSION PAID TODIRECTORS

Terms and Conditions for appointment of Our Managing Director and other Executive Directors

VILAS HANUMANTSA KATWA (Managing Director)

Vilas H. Katwa was appointed as Managing Director for a term of five years, with effect from May 27, 2017 pursuant to a resolution passed by the shareholders in an Extra – Ordinary Meeting dated September 28, 2017. The significant terms of his remuneration and employment include the following:

Particulars	Remuneration w.e.f. April 01, 2016
Salary Scale	₹ 50,000/- per month
Perquisites	Reimbursement of one mobile phone and one land line telephone bills. Reimbursement of all petrol expenses and car maintenance. Monthly of Rs. 5,000 towards his share in the rent paid for the registered office premises

DEEPAK HANAMANTSA KATWA (Executive Director and Chief Financial Officer)

Mr. Deepak H. Katwa was appointed as Non-Executive director in the board on May 25, 2007 as additional director, the appointment was subsequently confirmed in the subsequent general meeting. Thereafter board of director meeting held on September 28, 2018 has appointed him as Executive Director of the Company.

Mr. Deepak H. Katwa is appointed as Chief Financial Officer (CFO) of the Company w.e.f. November 10, 2014 without any remuneration. Subsequently the Board of Directors in their meeting held on May 27, 2016, pursuant to the approval of the remuneration committee, approved to pay the remuneration to Mr. Deepak H. Katwa, Chief Financial Officer (CFO) of the Company w.e.f. April 01, 2016 as follows:

Particulars	Remuneration w.e.f. April 01, 2016
Salary scale	₹ 25,000 per month
Perquisites	Reimbursement of one mobile phone all petrol expenses and car maintenance from w.e.f. April 01, 2016. Monthly of Rs. 5,000 towards his share in the rent paid for the registered office premises

VENKATESH HANAMANTSA KATWA (Chairman and Executive Director)

No remuneration and/or sitting fees is being paid to Mr. Venkatesh Hanamantsa Katwa, however Monthly Rs. 5,000 towards his share in the rent is paid for the registered office premises.

Service agreement between Directors and our Company

There is no service contract between our Directors and our Company including for provision of benefits or payments of any amount upon termination of employment.

Terms and conditions of employment of our Independent Directors and Non Executive Directors

Independent Directors and Non Executive Directors of our Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association of the Companies Act, 2013 and their appointment letters and other applicable laws and regulations.

Non-Executive Director

Our Company pays setting fees to the non-executive Directors for attending meetings of the Board. The following table sets forth sitting fees paid by the Company to the non-executive Directors for the Fiscal 2017-18 as per Ind AS-24:

Name of the Director	Date of appointment in Board/ or committee	Member of the Committee	Meeting Attended in the Fiscal 2018	Money paid in ₹
Balasaheb Anantrao Mestri	August 12, 2017 on the Board and the committees	Audit committee – Member Nomination and Regumeration Committee – Member Risk Management Committee – Member Stakeholders Relationship committee - Member	5 Board Meeting	10,000
Satish Dattusa Kalpavriksha	November 09, 2013 on the Board and the all the committees	Audit committee – Chairman Nomination and Regumeration Committee – Chairman Risk Management Committee – Chairman Stakeholders Relationship committee - Chairman	5 Board Meeting	15,000
Radhika Dewani Pinal	December 12, 2017 on the Board and the Stakeholders Relationship Committee	Stakeholders Relationship committee - Member	1 Board Meeting	5,000
Nisha Maganur	September 23, 2013 on the Board and the committees resigned on August 12, 2017	Audit committee – Member Nomination and Regumeration Committee – Member Risk Management Committee – Member Stakeholders Relationship committee - Member	2 Board Meeting	5,000
Prajakta Kulkarni	November 10, 2014 on Board and on the Stakeholders Relationship Committee and resigned on December 12, 2017	Stakeholders Relationship committee - Member	2 Board Meeting	10,000

None of the existing directors except as named above have received any remuneration during the Financial Year 2017-18

SHAREHOLDING OF OUR DIRECTORS IN OURCOMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our Company. The following table details the shareholding of our Directors as on the date of this Draft Letter of Offer:

Sr. No	Name of the Director	No. of Equity Shares	% of Pre Offer Equity Share Capital	% of Post Offer Equity Share Capital
1	Vilas Hanamantsa Katwa	4,83,800	9.44	[•]
2	Deepak Hanamantsa Katwa	4,83,800	9.44	[•]

Sr. No	Name of the Director	No. of Equity Shares	% of Pre Offer Equity Share Capital	% of Post Offer Equity Share Capital
3	Venkatesh Hanamantsa Katwa	4,83,800	9.44	[•]
	Total	14,51,400	28.32	[•]

INTERESTS OF DIRECTORS

Interest in Promotion of the Company

Some of Our Directors viz. Vilas Katwa, Deepak Katwa and Venkatesh Katwa may be deemed to be interested to the extent of being Promoter of our Company.

For further details, refer to chapters titled "Our Promoter and Promoter Group" beginning on page 123 of this Draft Letter of Offer.

Interest as member of Our Company

As on date of this Draft Letter of Offer, our Directors Vilas Katwa, Deepak Katwa and Venkatesh Katwa each hold 4,83,800 Equity Shares in our Company i.e. 9.44% each of the pre offer paid up Equity Share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding, dividend declared and other distributions, if any, by our Company.

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

Interest in the property of Our Company

Our promoters receive the payment of rent of ₹ 5,000 each per month towards usage of Jyoti Tower, 215/2, 6th Cross Nazar Camp, Karbhar Galli, Madhavpur Vadgaon, Belagavi, Karnataka - 590 005, India for setting up of their registered office.

Interest in the Loans taken by Our Company

The three directors of the CompanyVilas Katwa, Deepak Katwa and Venkatesh Katwaalong with the promoter Hanmantas Katwa have given personal guarantees for the various loans taken by our company.

Business interest

Our Directors do not have any other interest in the business of our Company other than that as the member of our company.

Interest of Directors as Key Managerial Personnel or Director of our Company

Vilas Katwa, Managing Director and Deepak Katwa, chief financial Oficer of our Company is the Key Managerial Personnel of the Company and may deemed to be interested to the extent of remuneration, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreement entered into with our Company, if any and AOA of our Company.

All Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them

Interest as a creditor of Our Company

As on the date of this Draft Letter of Offer, apart from stated as under Our Company has not availed any loans from the directors of the Company.Brief information of the loan outstanding as on September 25, 2018 are provided as under:

Name of the Directors	Amount (₹ in lakhs)
Deepak. H. Katwa	1,005.41
Venkatesh H. Katwa	518.30
Vilas H. Katwa	872.79
N. H. Katwa*	124.38

* N. H. Katwa ceased to be the director of the company w.e.f. May 27, 2017

All the above loans are repayable on demand and carry an interest of 9% p.a. Further, the said unsecured loans cannot be withdrawn by the above entities until the bank loans availed by the Company are repaid.

For further details, refer to chapter titled "Financial Indebtedness" on page 197 of this Draft letter of offer.

Other Interest of Our Directors

Our Directors do not have any interest in our Company other than 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 the Equity Shares held by them in our Company, if any. Further each of the directors is interested as relatives of each other, except the Independent Directors.

Bonus or profit sharing plan for the Directors

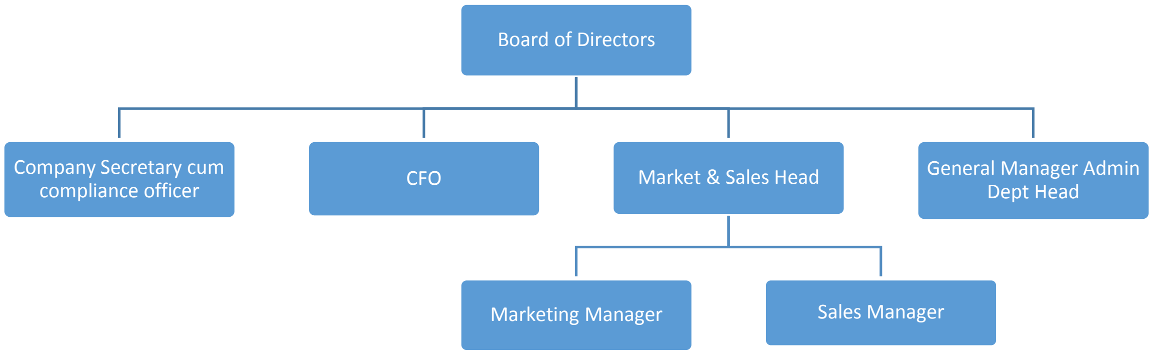
None of our Directors are party to any bonus or profit sharing plan of our Company.

CHANGES IN BOARD OF DIRECTORS IN LAST 3YEARS

Sr. No	Name of the Director	Designation	Date of Appointment	Date of Cessation
1	Nisha Deepak Maganur	Independent Director	September 23, 2013	August 12, 2017
2	Ramesh Manickchand Shah	Independent Director	August 12, 2014	February 22, 2017
3	Narmada Hanamantsa Katwa	Non-Executive Director (Promoter)	November 10, 2014	May 27, 2017
4	Prajakta Kiran Kulkarni	Independent Director	November 10, 2014	December 12, 2017
5	Balasaheb Anantrao Mestri	Independent Director	August 12, 2017	-
6	Radhika Dewani Pinal	Independent Director	December 12, 2017	-

Our Organizational Chart

The following chart depicts our Management Organization Structure:



CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations with respect to corporate governance are applicable to us as we are listed on the BSE Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR 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, separation of the Board's supervisory role from the executive management team and constitution of the committees of the Board, as required under law.

Our Board functions as a full board and through various committees constituted to oversee specific functions. Our Company's executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has Six Directors. In compliance with the requirements of the SEBI Listing Regulations, we have one Managing Director and three Independent Directors on the Board, in addition to one executive Director and chairman and one non-executive Director. Further, in compliance with the SEBI Listing Regulations and the Companies Act, 2013, we have a woman director on our Board.

Committees of our Board

Our Board appoints committees on the Board for various functions from time to time, as on date we have following committee:

1) Audit Committee
2) Nomination and remuneration committee
3) Risk Management Committee
4) Stakeholders Relationship Committee

1) Audit Committee:

The Audit Committee of our Board was reconstituted by our Directors by a board resolution dated December 12, 2017 pursuant to section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the directors have good knowledge of finance, accounts as well as company law. The Audit Committee comprises:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Satish Kalpavriksha	Chairman	Independent, Non-Executive Director

Name of the Director	Status in Committee	Nature of Directorship
Mr. Balasaheb Anantrao Mestri	Member	Independent, Non-Executive Director
Mr. Venkatesh H. Katwa	Member	Executive Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

Terms of Reference

1) The board terms of reference of the Committee inter alia includes the following
2) 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.
3) Recommending the appointment, remuneration and terms of appointment of auditors of the Company.
4) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
5) Reviewing, with the management the annual financial statements and the auditor's report thereon, before
6) submission to the board for approval, with particular reference to:
   b) Matters required to be included in Director's Responsibility Statement included in Board's report;
   c) Changes, if any, in accounting policies and practices and reasons for the same;
   d) Major accounting entries based on exercise of judgment by management;
   e) Significant adjustments made in the financial statements arising out of audit findings;
   f) Compliance with listing and other legal requirements relating to financial statements;
   g) Disclosure of any related party transactions;
   h) Qualifications in the draft audit report;
7) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
8) Reviewing, with the management, statement of uses and application of funds raised through an issue, statement of funds utilized for other purposes and report of monitoring agency.
9) Review and monitor the auditors' independence and performance, and effectiveness of audit process.
10) Approval or any subsequent modification of transactions of the Company with related parties.
11) Scrutiny of inter-corporate loans and investments.
12) Valuation of undertakings or assets of the Company, wherever it is necessary.
13) Evaluation of internal financial controls and risk management systems.
14) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
15) 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.
16) Discussion with internal auditors of any significant findings and follow up thereon.
17) 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.
18) Discussion with statutory auditors before the audit commences about nature and scope of audit as

well as post audit discussion to ascertain any area of concern.

19) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders,
20) Shareholders (in case of non-payment of declared dividends) and creditors.
21) To review the functioning of the Whistle-Blower mechanism.
22) Approval of appointment of Chief Financial Officer.
23) To review report submitted by Monitoring Agency informing material deviations in the utilization of Issue proceeds and to make necessary recommendations to the Board, if, when and where applicable.
24) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

During the year under review, the Committee met 04 times on 27.05.2017, 12.08.2017, 09.12.2017 and 12.02.2018.

2) Stakeholder's Relationship Committee

The Stakeholder's Relationship Committee of Our Board was reconstituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated December 12, 2017. The Stakeholder's Relationship Committee comprises:

The Stakeholder Relationship Committee comprises the following Directors:

Name of the Director	Status in Committee	Nature of Directorship
Satish Kalpavriksha	Chairman	Independent, NonExecutiveDirector
Radhika Pinal Dewani	Member	Independent, Non-Executive Director
Balasaheb A Mestri	Member	Independent, Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder 's Relationship Committee.

The Committee has been constituted to specifically look into redressal of shareholders' grievance such as transfer, dividend, de-materialization related matters. The Committee has also been dealing the power to approve transfer / transmission, issue of new or duplicate certificates, sub-division of shares, split of shares and all matters related to shares. During the year under review, the Committee met 04 times on 26.05.2017, 11.08.2017, 11.12.2017 and 12.02.2018 and all members present at the requisite quorum was there for all the meetings of the committee. Total number of letters and complaints received and replied to the satisfaction of shareholders during the year under review was NIL as on March 31, 2018 there are NIL complaints pending with the Company.

The Committee has also been dealing the power to approve transfer / transmission, issue of new or duplicate certificates, sub-division of shares, split of shares and all matters related to shares.

3) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of our Board was reconstituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated December 12, 2017.

The Nomination and Remuneration Committee comprises of following Chairman and themembers

Name of the Director	Status in Committee	Nature of Directorship
Balasaheb A Mestri	Chairman	Independent, Non-Executive Director
Satish Kalpavriksha	Member	Independent, Non-Executive Director
Venkatesh H. Katwa	Member	Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Compensation Committee are:

The Nomination & Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down. Recommended to the Board their appointment and removal and shall carry out evaluation of every director performance. The Committee had been consulted to review and approve the annual salaries, commission, service agreement and other employment conditions for the executive directors. The remuneration policy is in consonance with the existing industry practice. During the year under review, the Committee met 02 times on 26.05.2017 and [.]and all members present at the requisite quorum was there for all the meetings of the committee

The terms of reference of the Committee are in line with the requirements of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II to the SEBI LODR.

The terms of reference of the Committee are broadly as under:

1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
2) Formulation of criteria for evaluation of performance of independent directors and the board.
3) Devising a policy on Board diversity.
4) 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.
5) Whether to extend or continue the term of appointment of the independent director, on the basis of there of performance evaluation of independent directors. During the year under review, the Committee met 01 time and all members present at the meeting.

4) Risk Management Committee

The Risk Management Committee of our Board was reconstituted by our Directors by a board resolution dated December 12, 2017.

The Risk Management Committee comprises of following Chairman and themembers:

Name of the Director	Status in Committee	Nature of Directorship
Satish Kalpavriksha	Chairman	Independent, Non-Executive Director
Balasaheb A Mestri	Member	Independent, Non-Executive Director
Venkatesh H. Katwa	Member	Executive Director

Our Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Mr. Vilas H. Katwa is the Managing Director of the Company and Mr. Deepak H. Katwa is the Chief Financial Officer of the Company. Apat from them, following are the Key Managerial Personnel of our Company:

Name of the Employee	Designation & Functional Area	Date of Appointment / Re-appointment	Compensation for Last Fiscal	Qualification	Name of the previous Employer	Total Year of Experience
Deepak H Katwa	Chief Financial Officer	November 1, 2014	3,00,000 p.a	MBA Finance	N.A	11 years
Santhosh Shadadal	Company Secretary	January 19, 2017	3,00,000 p.a	Company secretary	N.A	1 year 9 months
Sharad Savant	Manager - Purchase Dpt	November 25, 1997	1,96,800 p.a	Diploma in Mechanical Engineering	N.A	27 years

All the Key Managerial Persons are the permanent employees of our Company.

Shareholding of Key Managerial Personnel in Our Company

None of Key Managerial Personnel are shareholders of the company except Mr. Vilas H Katwa and Deepak H Katwa who are holding 4,83,800 shares each of Our Company.

INTEREST OF KEY MANAGERIALPERSONNEL

Our key managerial personnel, other than Mr. Vilas H Katwa and Deepak H Katwa do not have any interest in our Company other than 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 the Equity Shares held by them in our Company, if any.

Employees

We believe that a motivated and empowered employee base is integral to our competitive advantage. Our Company has 200 employees as on date of this Drat Letter of Offer.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREEYEARS

The changes in the Key Managerial Personnel in the last three years are as follows:

Name of Managerial Personnel	Date of Event	Nature of Appointment	Reason
Vilas H Katwa	May 27, 2017	Re-appointment	Re-appointed as the Managing director
Santhosh Shadadal	January 19, 2017	Appointment	Appointed as the Company Secretary cum compliance Office
Mr. Rajesh Sitaram Lakkar	January 19, 2017	Resignation	Resigned as Company Secretary.

There have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

ARRANGEMENTS AND UNDERSTANDING WITH MAJORSHAREHOLDERS

None of our Key Managerial Personal has been appointed pursuant to any arrangement with our major shareholders, customers, suppliers or others.

REMUNERATION/ COMPENSATION TO KEY MANAGERIALPERSONNEL

Except as disclosed below, none of our Key Managerial Personnel is paid any remuneration as on the date of this Draft Letter of Offer.

Name of the Key Managerial Personnel	Remuneration paid during FY 2017-18 (Rupees)
Vilas H Katwa	6,00,000
Santhosh Saadadal	3,00,000
Deepak H Katwa	3,00,000
Sharad Savant	1,96,800

BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGERIALPERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

Our Company has no contingent or deferred compensation to be paid to its Key Managerial Personnel

LOANS TO KEY MANAGERIALPERSONNEL

Except as disclosed in the document our Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Draft Letter of Offer.

ESOP/ESPS SCHEME TOEMPLOYEES

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

PAYMENT OR BENEFIT TO OUR OFFICERS (NON-SALARYRELATED)

Except as disclosed inthe heading titled "Related Party Transactions" in the section titled Financial Statements as Restated beginning on page 133 of this Draft Letter of Offer, 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 PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of Our Company are H. D. Katwa, Venkatesh H Katwa, Vilas H Katwa and Deepak H Katwa. Our Promoters collectively hold in aggregate Shares 14,53,500 representing 28.36% of the Paid up share capital of our Company and will continue to hold a majority of paid up share capital of our Company post the Issue.

The details of our Promoters are as under:

H. D. Katwa	
	Mr. H. D. Katwa, aged 71 years, hails from a business family in Belgavi engaged in trade, business and industry in cement and allied activities for more than 50 years. He took up manufacturing acitivity of cement and joined the family business of cement manufacturing and grinding. In the year 1993 he started Katwa Udyog Limited which is presently known as Shri Keshav Cements and Infra Limited. Shri Katwa has drawn appreciation from institutions for his ability to successfully turing around mini cement plant and sick units. Presently Shri Katwa is Chairman emeritus. **Driving License:** Not Availed **Voters Id:** KT/25/197/516399 **DIN No:** 00206709 **Address:** Anusuya Niwas, 2nd Cross, Adarsh Nagar, Belgaum, Belgaum M Vadgaon, Karnataka- 590005

Venkatesh H Katwa	
	Mr. Venkatesh H Katwa, aged 45 years, a graduate MBA from the University of Oklahoma, USA, is having experience in Cement industry, International business and Health Care service automations. After returning from USA in 1997, he took up responsibility of Executive Director at Keshav Cements & Infra Limited. He later moved to promote Katwa Infotech Limited, a ITES serving medical and health care industry in USA. He established business development office in USA. Under his leadership, Katwa Infotech Limited has been awarded as the highest and best exporter in north Karnataka for five years. Mr. Venkatesh is the Vice-Chairman at Keshav Cements & Infra Limited and working on executing projects of expansion and setting up of power project. **Driving License:** KA22 19940044380 **Voters Id:** AYS2626083 **DIN No:** 00211504 **Address:** Anusuya Niwas, 2nd Cross, Adarsh Nagar, Belgaum, Belgaum M Vadgaon, Karnataka- 590005

Vilas H Katwa	
	Mr. Vilas H Katwa, aged 41 years, a MBA by education has served as the chief systems engineer, in McCormack Institute of Public Affairs at U-Mass Boston. On returning to India, he joined as the Jt. Managing Director of Keshav Cements & Infra Limited. As he gained experience in cement manufacturing he took many IT initiatives that gave good control over the production, quality and management parameters. Also being an engineer in Industrial and Production discipline, he has initiated many policies and systems that boosted production to its maximum capacity. He is currently working on operation to improve the product/services while reducing the cost by utilizing instrumentation techniques. One of the production facilities is completely electronically controlled making it the first production facility with high level of automation in its category. **Driving License**: KA22 19950049420 **Voters Id**: AYS2626109 **DIN No**: 00206015 **Address:** Anusuya Niwas, 2nd Cross, Adarsh Nagar, Belgaum, Belgaum M Vadgaon, Karnataka- 590005

Deepak H katwa	
	Mr. Deepak H Katwa, aged 39 years, is also one of the Promoter & Executive Director of the Company. He is an MBA from the University of Okalhoma, United States. He has made an important contribution towards the finance and operations divisions of the company. His specialties are public relations, finance, operations and management. He is actively involved in settings up of the power plant to reduce the overall power cost for the cement plant. **Driving License:** KA22 19960004611 **Voters Id:** AYS2626117 **DIN No:** 00206445 **Address:** Anusuya Niwas, 2nd Cross, Adarsh Nagar, Belgaum, Belgaum M Vadgaon, Karnataka- 590005

DECLARATION

Our Company confirms that the permanent account number, bank account number and passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Draft Letter of Offer with it.

COMMONPURSUITSOFOURPROMOTERS

Our Promoter does not has any common pursuits except to the extent of their shareholding in our Group Companies with which our Company transacts business as stated in the sections titled "Financial Information – Related Party Disclosures" and "History and Corporate Structure" on pages 133 and 103, respectively.

INTEREST OF PROMOTERS

Our Promoters are interested in Our Company to the extent that they have promoted Our Company and to the extent of its shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details regarding shareholding of our promoters in Our Company, please refer "Capital Structure" on page 58 of this Draft Letter of Offer.

Our Promoters may also be deemed to be interested in Our Company to the extent of their shareholding/ interest in ventures promoted by them with which Our Company transacts during the course of its operations.

Our promoters Mr..Venatesh Katwa, Mr. Deepak Katwa and Mr. Vilas Katwa have extended loan to Our Company the details of the same; please refer “Our Management” on page 109 of this Draft Letter of Offer.

INTEREST OF THE PROMOTERS IN THE PROPERTY OF THE COMPANY

Our promoters Mr..Venkatesh Katwa, Mr. Deepak Katwa and Mr. Vilas Katwa receive the payment of rent of ₹ 5,000 each per month towards usage of Jyoti Tower, 215/2, 6th Cross Nazar Camp, Karbhar Galli, Madhavpur Vadgaon, Belagavi, Karnataka - 590 005, Indiafor setting up of their registered office.

BUSINESS INTEREST

None of our Promoters are interested as a member of a firm or company and no sum has been paid or agreed to be paid to any of our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by such Promoter(s) or by such firm or company in connection with the promotion or formation of our Company.

PAYMENT OR BENEFIT TO PROMOTERS DURING LAST TWO YEARS

Except as stated otherwise in the chapters “Financial Statements” on page 133 of the Draft Letter of Offer, there has been no payment or benefits to the Promoters during the two years prior to the filing of this Draft Letter of Offer.

LITIGATION INVOLVING OUR PROMOTER

For details of legal and regulatory proceedings involving our Promoters, see “Outstanding Litigation and Material Development” on page 198 of this Draft Letter of Offer.

RELATED PARTY TRANSACTIONS

For the transactions with our Promoters, Promoter Group and Group Companies, please refer to section titled “Related Party Transactions” on page 133 of this Draft Letter of Offer.

Except as stated in “Related Party Transactions” on page 133 of this Draft Letter of Offer of this Draft Letter of Offer, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

CONFIRMATIONS

Our Company, our individual Promoters and their relatives (as defined under the Companies Act, 2013) are not willful Defaulters and there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of Our Company.
Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in "Related Party Transactionson" page 133, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to Our Company

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR

Our Promoters have disassociated themselves from Katwa Finlease Limitedwith effect from June 12, 2014, pursuant to a deed of share transfer dated April 15, 2014. However, Mr. Venkatesh Katwa continues to hold some shares in the Company. Though Mr..Venkatesh Katwa has provided his resignation to the Company and filed DIR-11. However, the Company has not accepted the resignation and his name ispresently shownas the director of Katwa Finlease Limited. The purchasers have also not changed the registered office ofKatwa Finlease Limited, in the records of ROC, Karnataka and the same as continues to be shown at location of registered office of Our Company. Further, our Promoter could not transfer their entire holding to the new purchasers due to certain non-compliance of the commercial terms by the purchaser(s) and approx. 10% of sharecapital of Katwa Finlease Limited is with Mr..Venkatesh Katwa. Our Promoters have iniated approariate proceeding against the buyers/purchaser and the ***lis*** is presently pending before the court of competent jurisdiction. It is stated that, as on date of the Draft Letter of Offer, Our Promoters donot have any relations/connection/control over Katwa Finlease Ltd.

PROMOTER GROUP INDIVIDUALS

The following natural persons (being the immediate relative of our Promoters) form part of our Promoters Group:

A. Individuals related to our Promoters:

Relationship with Promoters	Narmada H. Katwa	Roopa V. Katwa	Prajakta D. Katwa	Tina V. katwa	Jyoti Katwa
Father	Laxmansa Bevinakatti	Tukamanisa Bhute	Ajit Gargatti	Datta Ramning	Hanamantsa Katwa
Mother	Ansuya Bevinakatti	Kasturi Bhute	Mitra Gargatti	Manjula Ramning	Narmada Katwa
Brother	Mohan Bevinakatti	Girish Bhute	-	• Sunny Ramning • Venkatesh Ramning	• Vilas Katwa • Venkatesh Katwa • Deepak Katwa

Relationship with Promoters	Narmada H. Katwa	Roopa V. Katwa	Prajakta D. Katwa	Tina V. katwa	Jyoti Katwa
Sister	Geeta Ladwa	• Aruna Meherawade • Sunita Habib	Shourika Gargatti	Reena Habib	-
Spouse	Hanamantsa Katwa	Venkatesh Katwa	Deepak Katwa	Vilas Katwa	Atul Afre
Children	• Vilas Katwa • Deepak Katwa • Venkatesh Katwa • Jyoti Katwa	• Krishna • Achal	• Juhi • Keshav	• Ahana • Neelamadhav • Vamshika	• Khushi • Aryan
Spouse‘s Father	Dongarsa Katwa	Hanamantsa Katwa	Hanamantsa Katwa	Hanamantsa Katwa	Muralidhar Afre
Spouse‘s Mother	Ansuya Katwa	Narmada Katwa	Narmada Katwa	Narmada Katwa	Sushila Afre
Spouse‘s Brother	• Muralidhar Katwa • Gopal Katwa • Tamannasa Katwa	• Vilas Katwa • Deepak Katwa	• Vilas Katwa • Venkatesh Katwa	• Deepak Katwa • Venkatesh Katwa	Vijay Afre
Spouse‘s Sister	-	Jyoti Katwa	Jyoti Katwa	Jyoti Katwa	Sandhya Mukund Savaji

B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

- Katwa Infotech Limited;
- Katwa Construction Company Private Limited;
- Katwa Inc;
- Katwa Finlease Limited;
- Chaitanya Petroleum (Proprietoriship Firm);
- LimeChem Industries (Partnership Firm); and
- Hanamantsa D. Katwa HUF

Other persons included in promoter group

Our Promoter Group as defined under Regulation 2 (zb) (iv) of the SEBI (ICDR) Regulations, 2009 includes following entities

Nature of Relationship	Entity
Any Body corporate in which ten percent or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member.	• Katwa Infotech Limited • Katwa Construction PrivateCompany Limited • Katwa Inc • Katwa Finlease Limited#
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	-

Nature of Relationship	Entity
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent of the total equity share capital	• Chaitanya Petroleum (Proprietoriship Firm)* • LimeChem Industries (Partnership Firm)** • Hanamantsa D. Katwa HUF ***

*Chaitanya Petroleum is a Proprietoriship Firm owned by Mr. Vilas H. Katwa and is engaged in the business of trading in petroleum product and has a petrol pump in Kajjidoni, Bagalkot District, Karnataka.

**LimeChem Industries is a Partnership Firm where Mr. Vilas H. Katwa, Mr. Venkatesh Katwa and Mr. Deepak Katwa are the partners. The partnership was constituted with an object of mining limestone and other related product. The partnership was constituted on June 20, 2015.

***Hanamantsa D. Katwa HUF is an entity where Mr. Hanamantsa Katwa is the Karta. The HUF presently holds 3.13% of the shareholding.

The Company was incorporated as an NBFC. Our Promoters were holding majority shares in the Company. Subsequently on April 15, 2014 our Promoters entered into an agreement to transfer 100% of their holding in the Company. However, due to certain commercial issues, 100% of the shareholding could not be transferred. Presently, 10% of the Company is with Mr. Venkatesh Katwa and rest were transferred to respective buyers. It is specifically declared that apart from this 10% our promoters have no control or any interest in Katwa Finlease and is not in apposition to provide any finincail information of the Company or its existing business details. Katwa Finlease may be involved in litigations in various courts in India. Our Promoter are not in a position to either procure those details or give a status of those cases which are pending.

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Our Promoters Mr. Venkatesh Katwa, Mr. Deepak Katwa and Mr. Vilas Katwa are the part of our Board of Directors as Chairman and Director cum Chief financial officer and Managing Director respectively. Except as disclosed herein, none of our Promoter(s) are related to any of Our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Promoter	Director	Relationship
H. D. Katwa	• Venkatesh H Katwa • Deepak H Katwa • Vilas H. Katwa	Sons
Vilas H Katwa	• Deepak H Katwa • Venkatesh H Katwa	Brothers
Deepak H Katwa	• Venkatesh H Katwa • Vilas H Katwa	Brothers
Venkatesh H Katwa	• Vilas H Katwa • Deepak H Katwa	Brothers

GROUP AND ASSOCIATE COMPANIES

As on date of this Letter of Offer set out below are the Group Companies of our Company within the meaning of Group Companies under the SEBI ICDR Regulations:

1. Katwa Infotech Limited

Brief Description of Business :	Katwa Infotech Limited was established to provide medical transcription services to the health care industry in the US. The Company has dedicated experts on Medical Transcription and Medical coding deliver valuable services by producing high quality documentation to the healthcare providers in the US and Canada. With 24/7 work force – the office is open 365 days' year. All the experts are experienced and spread in teams with each team focusing on limited number of clients. The learning curve helps us to deliver quality services to our clients. We have a Medical Record Retention, Destruction and Disposal of PHI policy. All our operations are governed by HIPAA guidelines. The Company through its subsidiary katwa inc. has opened front end office in Atlanta, Georgia, to promoter the transcription business		
Date of Incorporation	20/07/1995		
CIN	U85110KA1995PLC018352		
PAN Card no.	AAACK8079L		
Registered Office Address	215\2, Jyoti Tower, 6th Cross Nazar Camp, M Vadgaon, Belgaum, Karnataka- 590005		
Board of Directors	Vilas H Katwa Deepak H Katwa Hanamantsa D Katwa Venkatesh H Katwa Jyoti H Katwa Narmada H Katwa		
Audited Financial Information	**For The Year Ended (₹ in lakhs)**		
	March 31, 2017	March 31, 2016	March 31, 2015
Equity Capital	50.00	50.00	50.00
Reserves and Surplus (excluding R valuation Reserve and Less Miscellaneous Expenses, if any)	1569.03	1527.62	1478.96
Net worth	1619.03	1577.62	1,528.96
Income including other income	76.52	109.88	201.52
Profit/ (Loss) after tax	33.77	48.68	65.61
Earnings per share (face value of ₹10 each)	8.05	9.55	13.12
Net asset value per share (₹)	323.81	315.52	305.79

Shareholding Pattern as on the date of the Draft Letter of Offer is as follows:

Sr. No	Name of Shareholders	No. of Shares	% of Holding
1.	Hanamantsa Dongarsa Katwa	1,000	0.20
2.	Narmada Hanamantsa Katwa	4,020	0.80
3.	Venkatesh Hanamantsa Katwa	122,530	24.51
4.	Vilas Hanamantsa Katwa	119,100	23.82
5.	Deepak Hanamantsa Katwa	129,900	25.98

6.	Roopa Venkatesh Katwa	42,450	8.49
7.	Prajakta Deepak Katwa	35,100	7.02
8.	Tina Vilas Katwa	45,900	9.18
	Total	**500,000**	**100.00**

2. Katwa Construction Company Private Limited

Brief Description of Business:	The Company is incorporated to develop housing and real estate in Goa		
Date of Incorporation	20/07/1995		
CIN	U45201KA1995PTC018351		
PAN Card no.	AAACK8075G		
Registered Office Address	Jyoti Tower, 215\2, 6th Cross Nazar Camp, M Vadgaon, Belgaum, Karnataka- 590005		
Board of Directors	Vilas H Katwa Deepak H Katwa Hanamantsa D Katwa Venkatesh H Katwa Jyoti H Katwa Narmada H Katwa		
Audited Financial Information	For The Year Ended (₹ in lakhs)		
	March 31, 2017	**March 31, 2016**	**March 31, 2015**
Equity Capital	35.00	35.00	35.00
Reserves and Surplus (excluding R valuation Reserve and Less Miscellaneous Expenses, if any)	36.37	35.93	33.23
Net worth	71.37	70.93	68.23
Income including other income	3.50	6.72	7.16
Profit/ (Loss) after tax	0.49	2.69	2.95
Earnings per share (face value of ₹10 each)	0.14	0.77	0.84
Net asset value per share (₹)	20.39	20.26	19.49

Shareholding Pattern as on the date of the Draft Letter of Offer is as follows:

Sr. No	Name of Shareholders	No. of Shares	% of Holding
1.	Vilas H Katwa	70,000	20.00
2.	Deepak H Katwa	44,800	12.80
3.	Hanamantsa H katwa	6,000	1.71
4.	Venkatesh H Katwa	1,05,000	30.00
5.	Roopa Venkatesh Katwa	9,200	2.63
6.	Prajakta Deepak Katwa	72,000	20.57
7.	Tina Vilas Katwa	43,000	12.29
	Total	**3,50,000**	**100.00**

3. Katwa Inc

Brief Description of Business:	The Company is incorporated in Atlanta Georgia. The Company is a subsidiary of KatwaInfotech Limited and is engaged in the business of medical transcription. The Company secures contracts in US and subsequently subcontracts to other parties.
Date of Incorporation	March 19, 2004

CIN	N.A		
FEIN no.	20-0925086		
Registered Office Address	715, Rose Creek Cir., Johns Creek, GA 30097		
Board of Directors/Officers	Ms. Janelle Mullen		
Audited Financial Information	**For The Year Ended (in USD)**		
	2017	**2016**	**2015**
Laon to shareholders	427	946	-
Building and other depreciable assets	16,420	14,701	14,701
Less accumulatede depreciation	(15,647)	(14,701)	(14,701)
Total Assets	**31,000**	**11,900**	**20,969**
Liabilities			
Other Current Libilities	4,080	12,907	49,132
Loan from shareholders	0	0	4,742
Common stock	9,900	9,900	9,900
Retained eranings unappropriated	17,020	(10,907)	(42,805)
Total Liability and Shareholders' equity	**31,000**	**11,900**	**20,969**

Shareholding Pattern as on the date of the Draft Letter of Offer is as follows:

Sr. No	Name of Shareholders	No. of Shares	% of Holding
1.	Katwa Infotech Limited	490	98.00
2.	Jyoti Afre	10	2.0
	Total	**500**	**100.00**

Interest of our Promoters in our Group Companies

Except to the extent of their shareholding and directorships as disclosed above, our Promoters do not have any other interest in any of our Group Companies.

Significant notes by auditors

There are no significant notes of the auditors for any the group companies for the last three Fiscals.

Confirmations

a) None of the equity shares of our Group Companiesare listed on any stock exchange. None of our Group Companies have made any public or rights issue of securities to public in the preceding three years.
b) None of our Group Companies have been debarred from accessing the capital market for any reasons by SEBI, or any other regulatory authorities.
c) None of our Group Companies have been identified as wilful defaulters by any bank, financial institution or consortium thereof in accordance with the guidelines for wilful defaulters issued by the RBI.
d) None of our Group Companies have outstanding unsecured loans, which may be recalled by the lenders at any time.
e) None of our Group Company has become a sick Company under the meaning of SICA.

DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the board of directors. Under the Companies Act, 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 Fiscal Years or out of both. At the time of declaration of Dividend transfer to special general reserve under the provisions of Companies (Transfer of Profits to Reserves) Rules, 1975 is being followed.

Our Company does not have a formal dividend policy. Any dividends declared are 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.

Dividend, if declared, shall be payable within 30 days of approval by the Equity Shareholders at its annual general meeting. 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 VI – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

AUDITOR'S REPORT

Singhi & Co.
Chartered Accountants

INDEPENDENT AUDITORS REPORT

To
The Board of Directors,
Shri Keshav Cements and Infra Ltd
Jyothi Tower, 215/2, 6th cross
Nazar Camp, KarbarGalli, Madhavpur, Vadgaon
Belagavi-590005 KA

Dear Sirs,

1. We have examined the attached Restated Standalone Financial Information of **Shri Keshav Cements and Infra Limited** (the "Company"), which comprise of the Restated Standalone Statement of Assets and Liabilities as at 31 March 2018, 2017, 2016, 2015 and 2014, the Restated Standalone Statement of Profit and Loss, the Restated Standalone Statement of Cash Flows, for each of the years ended 31 March 2018, 2017, 2016, 2015 and 2014, the Restated standalone statement of changes in equity for each of the years ended 31 March 2018, 2017 and 2016 and the summary of significant accounting policies, read together with the annexures and notes thereto (collectively referred as "**Restated Standalone Financial Information**") and other financial information (as described more in detail in paragraph 6 below, referred as "**Other Financial Information**"), for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Rights Issue of equity shares (the "Rights Issue"). The Restated Standalone Financial Information has been approved by the Board of Directors of the Company and is prepared in terms of the requirements of:
   a) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 (the "ICDR Regulations").
   b) the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "ICAI") as amended from time to time. (the "Guidance Note")

2. The preparation of the Restated Standalone Financial Information and Other Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 9 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information and Other Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations and the Guidance note.

   Our responsibility is to examine the Restated Standalone Financial Information and confirm whether such Restated Standalone Financial information comply with the requirements of the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Standalone Financial Information taking into consideration:

(a) the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 1st July 2018 in connection with the proposed right issue of equity shares of the Company; and
(b) the Guidance note.

4. These Restated Standalone Financial Information and Other Financial Information, have been compiled by the Company's Management as follows:

   (a) As at and for the years ended 31 March 2018 and 31 March 2017: From the audited standalone financial statements of the Company as at and for the year ended 31 March 2018 and 31 March 2017 (being the comparative period for the year ended March 2018), prepared in accordance with

SINGHI & CO. Chartered Accountants

114/1, Sai Complex, 3rd Floor, M.G.Road, Bangalore - 560001, India.
Ph : +91 80 2558 5587, 2558 4859, 4113 9278
E mail : bangalore@singhico.com Web : www.singhico.com

Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, and the other relevant provisions of the Act which has been approved by the Board of Directors at their Board meeting held on 28/05/2018.

(b) As at and for the year ended 31 March 2016: From the audited standalone financial statements of the Company as at and for the year ended 31 March 2016, prepared in accordance with Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the other relevant provisions of the Act which has been approved by the Board of Directors at their Board meeting held on 27/05/2016. These audited standalone financial statements of the Company as at and for the year ended 31 March 2016 has been converted into Ind AS to align accounting policies, exemptions and disclosures as adopted for the preparation of the first Ind AS financial statements. These Restated Standalone Financial Information as at and for the year ended 31 March 2016 are referred to as "the proformaInd AS Restated Standalone Financial Information."

(c) As at and for the year ended 31 March 2015 and 31 March 2014: From the audited standalone financial statements of the Company as at and for the year ended 31 March 2015, prepared in accordance with Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the other relevant provisions of the Act which has been approved by the Board of Directors at their Board meeting held on 26/05/2015 AND
From the audited standalone financial statements of the Company as at and for the year ended 31 March 2014, prepared in accordance withaccounting standards referred to in sub-section (3C) of section 211of the Companies Act, 1956 and the relevant provisions of the Act which has been approved by the Board of Directors at their Board meeting held on 20/05/2014.

(d) Audit of the Financial years ended 31 March 2017, 2016, 2015 and 2014 was conducted by previous auditors, CA Prabhakar K Latkan, and accordingly reliance has been placed on the financial information examined by them for the said years.
The Restated standalone financial information included for the year ended 31 March 2015 and 2014 are based solely on the report submitted by CA Prabhakar K Latkan. Further CA Prabhakar K Latkan had confirmed that the restated standalone financial information:
   a. have been made after incorporating adjustments (if any) for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods except for the changes in accounting policy due to implementation of Indian Accounting Standard (Ind AS) as per the requirement of Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015;
   b. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
   c. do not contain any extra-ordinary items that need to be disclosed separately in the Restated Standalone Financial Information and do not contain any qualification requiring adjustments.

5. Based on our examination and according to the information and explanation given to us, we report that:

(a) The Restated Standalone Statement of Assets and Liabilities of the Company, including as at 31 March 2015 and 2014 examined and reported by CA Prabhakar K Latkan, on which reliance has been placed by us, as set out in Annexure 1A and as at 31 March 2018, 2017 and 2016 examined by us, as set out in Annexure Ito this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in note 26 of Annexure VI, Statement of Notes to the Restated Standalone Financial Information;

(b) The Restated Standalone Statement of Profit and Loss of the Company,including for the years ended 31 March 2015 and 2014 examined and reported by CA Prabhakar K Latkan, on which reliance has been placed by us, as set out in Annexure II A andfor the years ended 31 March 2018, 2017 and 2016 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in note 26 of Annexure VI, Statement of Notes to the Restated Standalone Financial Information;

SINGHI & CO. Chartered Accountants

Singhi & Co.
Chartered Accountants

(c) The Restated Standalone Statement of Cash Flows of the Company, including for the years ended 31 March 2015 and 2014 examined and reported by CA Prabhakar K Latkan, on which reliance has been placed by us, as set out in Annexure III Aand for the years ended 31 March 2018, 2017 and 2016 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in note 26 of Annexure VI, Statement of Notes to the Restated Standalone Financial Information;

(d) The Restated Standalone Statement of Changes in Equity of the Company for the years ended 31 March 2018, 2017 and 2016 examined by us, as set out in Annexure IV to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in note 26 of Annexure VI, Statement of Notes to the Restated Standalone Financial Information

(e) Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the reports submitted by the previous auditor, CA Prabhakar K Latkan, for the respective years, we further report that the Restated Standalone Financial Information:

(i) do not require any adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting years, except changes in regard to the requirement of Ind AS 101on "First time adoption of Indian Accounting Standards". Company has provided transitional disclosures as envisaged in para 23 to 26 of Ind AS 101 in the annual financial statement.

(ii) do not require any adjustments for the material amounts in the respective financial years to which they relate; and

(iii) do not contain any extra-ordinary items that need to be disclosed separately, other than those presented in the Restated Standalone Financial Information, in the respective financial years and do not contain any audit qualification requiring adjustments.

6. We have also examined,including for the years ended 31 March 2015 and 2014 examined and reported by CA Prabhakar K Latkan, on which reliance has been placed by us, significant accounting policiesas set out in Annexure VA and Notes to Restated Standalone Financial Information as set out in Annexure VI A andthe significant accounting policies as set out in Annexure V and the following 'Other Financial Information' of the Company set out in Annexures stated below, prepared by the Company's Management and approved by the Board of Directors, for the years ended 31 March 2018, 2017, 2016, 2015 and 2014:

i. Statement of Accounting Ratios, enclosed as Annexure VII
ii. Statement of Capitalisation, as appearing in Annexure VIII
iii. Statement of Contingent Liabilities, enclosed as Annexure IX
iv. Statement of Earnings Per Share, enclosed as Annexure X
v. Statement of Related Party Transactions as Annexure XI and Annexure XIA.

According to the information and explanations given to us andalso as per the reliance placed on the reports submitted by the previous auditor, CA Prabhakar K Latkan, in our opinion, the RestatedStandalone Financial Information and the above restatedfinancial information contained in Annexures I to XIA accompanying this report, read with Summary of SignificantAccounting Policies and other notes to Restated Standalone Financial Statement disclosed in Annexure V, VA, VI and VIA are preparedafter making adjustments and regroupings as consideredappropriate andthe Guidance Note.

According to the information and explanations given to us, and also reliance placed on the reports submitted by the previous auditor, CA Prabhakar K Latkan, in our opinion, the Proforma Financial Statement and Other Financial Information of the company as at 31 March 2016 and for the year ended 31 March 2016 read with summary of significant accounting policies and notes to account disclosed in Annexures Vand VI accompanying this report are prepared after making proforma adjustments as mentioned in Note 26 and the Guidance Note.

SINGHI & CO. * Chartered Accountants *

114/1, Sai Complex, 3rd Floor, M.G.Road, Bangalore - 560001, India.
Ph : +91 80 2558 5587, 2558 4859, 4113 9278
E mail : bangalore@singhico.com Web : www.singhico.com

Singhi & Co.
Chartered Accountants

7. This report should not be in any way construed as a re-issuance or re-dating of any of the previous audit reports issued by other auditors or by us nor should it be construed as a new opinion on any of the financial statements referred to therein.

8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

9. Our report is intended solely for use of the management and for inclusion in the offer document to be filed with Securities and Exchange Board of India and Stock Exchange in connection with the rights issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Singhi & Co.,
Chartered Accountants
Firm Registration No.: 302049E

CA. Vijay Jain
Partner
Membership No.: 077508
Place: Bengaluru.
Date: 24/09/2018.

114/1, Sai Complex, 3rd Floor, M.G.Road, Bangalore - 560001, India.
Ph : +91 80 2558 5587, 2558 4859, 4113 9278
E mail : bangalore@singhico.com Web : www.singhico.com

ANNEXURE- I

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Amount Rupees in Lakhs)

Particulars	Note	As at 31 March 2018	As at 31 March 2017
ASSETS			
NON- CURRENT ASSETS			
Property, plant and equipment	1	9,097.86	7,691.35
Capital work-in-progress		10,446.72	10.48
Financial assets			
i) Other non-current financial assets	2	195.35	169.37
Total Non- Current Assets		**19,739.93**	**7,871.19**
CURRENT ASSETS			
Inventories	3	1,571.87	1,170.75
Financial assets			
i) Trade receivable	4	600.59	324.00
ii) Cash and cash equivalents	5	176.33	588.11
iii) Other current financial assets	6	14.75	65.19
Other current assets	7	1,127.07	359.06
Total Current Assets		**3,490.62**	**2,507.11**
Total Assets		**23,230.54**	**10,378.30**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	8	512.42	512.42
Other Equity	9		
i)General Reserve		592.05	592.05
ii) Retained Earnings/surplus		779.95	950.02
iii) Other comprehensive income		(20.86)	(17.26)
Total Equity		**1,863.57**	**2,037.23**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	10	9,742.16	3,482.08
ii) Other non-current financial liabilities			
Deferred Tax Liabilities (Net)	12	1,030.57	839.08
Total Non-Current Liabilities		**10,772.72**	**4,321.16**
Current liabilities			
Financial liabilities			
i) Borrowings	11	5,717.45	2,391.23
ii) Trade payables	13	214.53	424.38
iii) Other current financial liabilities	14	4,392.66	909.04
Other current liabilities	15	235.14	159.91
Provisions	16	34.48	135.35
Total Current Liabilities		**10,594.25**	**4,019.91**
Total liabilities		**21,366.98**	**8,341.06**
Total Equity and Liabiltiies		**23,230.54**	**10,378.30**

SINGHI & CO. ★ Chartered Accountants ★

ANNEXURE- I (Contd..)

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

		Adjustments		(Rupees in Lakhs)
Particulars	As at 01-04-16 IGAAP	Reclassification	Ind AS Adjustments	As at 01-04-16 Ind AS
ASSETS				
NON- CURRENT ASSETS				
Property, plant and equipment	3,897.10	-	-518.49	3,378.61
Capital work-in-progress				
Financial assets	840.82	-	-	840.82
ii) Loans				
iii) MAT Credit Entitlement				
i) Other non-current financial assets	119.53	28.65	-	148.18
Total Non- Current Assets	**4,857.44**	**28.65**	**-518.49**	**4,367.60**
CURRENT ASSETS				
Inventories	643.70	-	-	643.70
Financial assets				
i) Trade receivable	96.56	-	-	96.56
ii) Cash and cash equivalents	19.75	-		19.75
iii) Other current financial assets	314.38	-291.05	-20.39	2.94
Other current assets	-	262.40	-	262.40
Total Current Assets	**1,074.39**	**-28.65**	**-20.39**	**1,025.35**
Total Assets	**5,931.83**	**-0.00**	**-538.88**	**5,392.95**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share capital	512.42	-	-	512.42
Other Equity	-	-	-	-
i)General Reserve	195.86	-164.87	-	30.99
ii) Retained Earnings/surplus	1,278.22	-	-441.83	836.38
iii) Other comprehensive income	-	-	-4.86	-4.86
Total Equity	**1,986.49**	**-164.87**	**-446.69**	**1,374.93**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i) Borrowings	424.05	-368.08	0.52	56.49
ii) Other non-current financial liabilities	-	-	-	-
Deferred Tax Liabilities (Net)	576.96	164.87	-99.72	642.11
Total Non-Current Liabilities	**1,001.00**	**-203.21**	**-99.20**	**698.60**
Current liabilities				
Financial liabilities				
i) Borrowings	2,312.40	-62.30	-	2,250.10
ii) Trade payables	215.38	-	-	215.38
iii) Other current financial liabilities	-	430.38	2.84	433.22
Other current liabilities	147.18	-	-	147.18
Provisions	269.37	-	4.18	273.55
Total Current Liabilities	**2,944.33**	**368.08**	**7.01**	**3,319.43**
Total liabilities	**3,945.33**	**164.87**	**-92.18**	**4,018.02**
Total Equity and Liabiltiies	**5,931.83**	-	**-538.88**	**5,392.95**

SINGHI & CO. Chartered Accountants

ANNEXURE-II

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Amount Rupees in lakhs)

	Particulars	Note No.	For the Year ended 31 March, 2018	2017
I	Revenue from operations	17	5,205.22	5,156.93
II	Other income, net	18	32.48	53.84
III	**Total Income (I+II)**		**5,237.70**	**5,210.77**
IV	**EXPENSES**			
	Cost of Materials Consumed	19	978.09	1,281.95
	Purchase of stock in trade	20	1,654.24	688.80
	Change in inventories of Finished Goods and Stock in Trade	21	(43.47)	(0.96)
	Other Manufacturing Expenses	22	1,203.13	1,012.39
	Employee benefit expense	23	290.12	247.41
	Finance Costs	24	89.22	316.75
	Investment Allowance		-	520.52
	Depreciation and amortisation expenses		651.57	438.58
	Other expenses	25	386.32	395.92
	Total Expenses (IV)		**5,209.23**	**4,901.37**
V	**Profit/(Loss) before exceptional items and tax (I-IV)**		**28.47**	**309.40**
VI	Exceptional items		-	-
VII	**Profit/(Loss) before tax (V-VI)**		**28.47**	**309.40**
VIII	**Tax expense:**			
	Current Tax		(8.80)	(13.04)
	Deferred Tax		(191.49)	(120.10)
IX	**Profit/(Loss) for the period from continuing operation (VII-VIII)**		**(171.82)**	**176.27**
X	**Profit/(loss) from discontinued operations**		-	-
XI	**Profit/(Loss) for the period (IX-X)**		**(171.82)**	**176.27**
XII	**Other Comprehensive Income**			
	Items that will not be reclassified subsequently to profit or loss			
	Remeasurement of the net defined benefit liability/asset		(3.60)	(12.39)
	Items that will be reclassified subsequently to profit or loss		-	-
	Total other comprehensive income, net of tax		(3.60)	(12.39)
XIII	**Total comprehensive income, for the period (XI+XII)**		**(175.42)**	**163.87**
XIV	**Earnings per equity share (for discontinued & continuing operations)**			
	Earnings attributable to equity shareholders		(175.42)	163.87
	Weighted average No. of equity shares		51.24	51.24
	Basic & Dilutive EPS (Amount Rs. Per Share)		**(3.42)**	**3.20**

SINGHI & CO. Chartered Accountants

ANNEXURE-II (Contd..)

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Amount Rupees in lakhs)

	Particulars	For the Year ended 31 March, 2016		
		IGAAP	Ind AS Adjustments	Ind AS
I	Revenue from operations	5,984.01		5,984.01
II	Other operating revenues	17.49		17.49
III	**Total Income (I+II)**	**6,001.51**		**6,001.51**
IV	**EXPENSES**			
	Cost of Materials Consumed	2,351.11		2,351.11
	Purchase of stock in trade	546.33		546.33
	Change in inventories of Finished Goods and Stock in Trade	(17.60)		(17.60)
	Other Manufacturing Expenses	1,191.98		1,191.98
	Employee benefit expense	138.04	(24.57)	113.48
	Finance Costs	333.56	(3.36)	330.20
	Investment Allowance	-		-
	Depreciation and amortisation expenses	293.63	(518.49)	(224.86)
	Other expenses	535.41		535.41
	Total Expenses (IV)	**5,372.47**		**4,826.05**
V	**Profit/(Loss) before exceptional items and tax (I-IV)**	**629.04**		**1,175.46**
VI	Exceptional items	-		-
VII	**Profit/(Loss) before tax (V-VI)**	**629.04**		**1,175.46**
VIII	**Tax expense:**			
	Current Tax	192.00		192.00
	Deferred Tax	14.86	99.72	114.58
IX	**Profit/(Loss) for the period from continuing operation (VII-VIII)**	**422.18**		**868.88**
X	**Profit/(loss) from discontinued operations**	-		-
XI	**Profit/(Loss) for the period (IX-X)**	**422.18**		**868.88**
XII	**Other Comprehensive Income**			
	Items that will not be reclassified subsequently to profit or loss			
	Remeasurement of the net defined benefit liability/asset		(4.86)	(4.86)
	Items that will be reclassified subsequently to profit or loss	-		-
	Total other comprehensive income, net of tax			
XIII	**Total comprehensive income, for the period (XI+XII)**	**422.18**		**864.01**
XIV	**Earnings per equity share (for discontinued & continuing operations)**			
	Earnings attributable to equity shareholders	422.18		864.01
	Weighted average No. of equity shares	51.24		51.24
	Basic & Dilutive EPS (Amount Rs. Per Share)	(3.42)		3.20
	Basic & Dilutive EPS (Amount Rs. Per Share)	8.24		16.86

SINGHI & CO. Chartered Accountants

ANNEXURE- III

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

RESTATED STANDALONE STATEMENT OF CASH FLOWS

(Amount Rupees in Lakhs)

	Particulars		For the Year ended 31 March 2018	For the Year ended 31 March 2017	For the Year ended 31 March 2016
A	**Cash fow from operating activities**				
	Net Profit / (Loss) from continuing operations before tax from				
	Continuing Operations		28.47	309.40	1,175.46
	Discontinued Operations		-		
	Profit before income tax including discontinued operations		**28.47**	**309.40**	**1,175.46**
	Adjustments for:				
	Depreciation and amortisation expense		651.57	438.58	(224.86
	Finance Cost		89.22	316.75	(3.36
	Interest income classified as investing cash flow		(32.48)	(53.84)	
	Investment allowance		-	520.52	
	Provision for gratuity		7.34	6.24	(24.57
	Changes in operating assets and liabilities :				
	(Increase)/Decrease in trade receivables		(276.59)	(227.44)	126.24
	(Increase) in inventories		(401.13)	(527.05)	452.24
	(Increase) in other non current financial assets		(25.98)	(21.19)	(73.14
	(Increase) in other current financial assets		50.45	(62.25)	
	(Increase) / Decrease in other current assets		(817.68)	(106.82)	
	Increase/(Decrease) in trade payables		(209.85)	382.14	175.00
	Increase/(Decrease) in short term advances		11.56	9.18	
	Increase/(Decrease) in current liabilities and provisions		(25.65)	66.53	(73.19
	Cash generated from operations		**(950.73)**	**1,050.76**	**1,529.82**
	Taxes paid		-	(192.00)	(83.70
	Net cash inflow (outflow) from operating activities	A	**(950.73)**	**858.76**	**1,446.12**
B	**Cash fow from investing activities**				
	Payments for property, plant & equipments		(8,896.52)	(3,579.11)	(849.31
	Interest received		32.48	53.84	5.30
	Net change in margin money			-	
	Net cash inflow (outflow) from investing activities	B	**(8,864.05)**	**(3,525.27)**	**(844.01**
C	**Cash fow from financing activities**				
	Proceeds from borrowings		8,865.76	4,538.78	(625.77
	Less : Interest Paid		(990.22)	(779.25)	3.36
	Net cash inflow (outflow) from financing activities	C	**7,875.54**	**3,759.53**	**(622.41**
	Net increase/(decrease) in cash and cash equivalents	A+B+C	**(1,939.23)**	**1,093.01**	**(20.30**
	Cash and cash equivalents at the beginning of the year		(9.75)	(1,102.76)	40.05
	Exchange difference on restatement of foreign currency cash and cash equivalents		-	-	
	Cash and cash equivalents at the end of the year		**(1,948.98)**	**(9.75)**	**19.75**

Cash and cash equivalents as per above comprise of the following

Particulars	31 March 2018	31 March 2017	31 March 2016
Cash and cash equivalents	176.33	588.11	19.75
Bank Overdrafts	(2,125.31)	(597.85)	
Balance as per statement of cash flows	**(1,948.98)**	**(9.75)**	**19.75**

SINGHI & CO. * Chartered Accountants *

ANNEXURE-IV

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

SINGH & CO. ★ Chartered Accountants ★

RESTATED STANDALONE STATEMENT OF CHANGES IN EQUITY

(Amount Rupees in Lakhs)

Particulars	Equity share Capital	Reserves and Surplus			Other Comprehensive income		Total equity attributable to equity holders of the Company
		Retained Earnings	General Reserve	Investment Allowance Reserve	Remeasurement of the net defined benefit	Other items of other comprehensive income	
Balance as of April 1, 2017	**512.42**	**950.02**	**71.53**	**520.52**	**(17.26)**	**-**	**2,037.23**
Amounts utilized for Share issue expenses	-	-	-	-	-	-	-
Profit for the period	-	(170.07)	-	-	(3.60)	-	(173.67)
Balance as of March 31, 2018	**512.42**	**779.95**	**71.53**	**520.52**	**(20.86)**	**-**	**1,863.56**
Balance as of April 1, 2016	**512.42**	**836.38**	**30.99**	**-**	**(4.86)**	**-**	**1,374.93**
Transfer to general reserve	-	-	40.54	-	-	-	40.54
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	(12.39)	-	(12.39)
Dividends (including corporate dividend tax)	-	(61.67)	-	-	-	-	(61.67)
Transfer to investment allowance reserve	-	-	-	520.52	-	-	520.52
Profit for the period	-	175.31	-	-	-	-	175.31
Balance as of march 31, 2017	**512.42**	**950.02**	**71.53**	**520.52**	**(17.26)**	**-**	**2,037.23**
Balance as of March 31, 2016	**512.42**	**1,450.82**	**23.25**				**1,986.49**
Transfer to general reserve	-						**-**
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	(19.70)			(4.86)		**(24.56)**
Reclassification of MAT credit		(164.87)					**(164.87)**
Change in estimate of useful life of an Asset		(518.49)					**(518.49)**
Dividends (including corporate dividend tax)	-						**-**
Changes in Deferred tax liabilities		99.72					**99.72**
Remeasurement of financial liabilities		(3.36)					**(3.36)**
Transfer to investment allowance reserve	-						**-**
Profit for the period	-	-					**-**
Balance as of April 1, 2016	**512.42**	**844.12**	**23.25**	**-**	**(4.86)**	**-**	**1,374.93**

ANNEXURE - V

A.1 **Corporate information and significant accounting policies**

Corporate information

Shri Keshav Cements and Infra Limited (Formerly Katwa Udyog Limited) ('the Company') is a public limited company domiciled in India and registered under the Companies Act, 1956. The Company was incorporated on March 17, 1993 and is engaged in the business of manufacturing and trading in cements, trading in coal, trading in petroleum products and in the business of generation and distribution of solar energy.

B **Significant Accounting Policies**

B.1 **Basis of Preparation**

These financial statements Are prepared in accordance with Indian Accounting Standards (Ind AS) under historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('The Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First-Time Adoption of Indian Accounting Standards. The transaction was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition have been summarized in Note 2.1

Accounting policies have been continously applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Company's financial statements are presented in Indian Rupees, which is also its functional currency.

B.2 **Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

C **Critical Accounting Estimates**

C.1 **Income Taxes**

The Only Tax jurisdiction for the Company is India. Significant judgements are involved in determining the provision for the income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

C.2 **Property, Plant and Equipment**

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The Charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values are determined based on the Schedule II of the companies Act 2013 and reviewed periodically, including at each financial year end.

D **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of Material

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collect sales taxes or other indirect taxes on behalf of government and, therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

Interest

Interest revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity; and the amount of revenue can be measured reliably. Interest income is included under the head "other income" in the statement of profit and loss.

SINGHI & CO. * Chartered Accountants *

E **Property, plant and equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the Property, plant and equipment to the working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of Property, plant and equipment is added to its book value only if it increases the future benefits from the existing Property, plant and equipment beyond its previously assessed standard performance. All other expenses, on the Property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts (which does not meet the capitalisation criteria), are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the Property, plant and equipment and are recognized in the statement of profit and loss when the Property, plant and equipment is derecognized.

Expenses incurred relating to project, prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

Depreciation on Property, plant and equipment is calculated on the straight-line basis using the rates arrived at based on the useful lives estimated by the management which coincides with the life prescribed under the Schedule II to the Companies Act, 2013.

F **Intangible Assets**

Intangible Assets acquired separately are measured on initial recognition at cost and are amortized on the straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

I **Borrowing Costs**

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

J **Financial Instruments**

J.1 **Initial Recognition**

The company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

J.2 **Subsequent Measurement**

a. Non-derivative Financial instruments

(i) Financial Assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rises on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a buisiness model whose objective is achieved by both collecting contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

SINGHI & CO. Chartered Accountants

(iii) Financial assets through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

b. Share Capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

J.3 Derecognition of financial instruments

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

J.4 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Refer to note *28* in for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

K Impairment

a. Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of eECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recignized as an impairment gain or loss in profit or loss.

b. Non Financial Assets

(i) Intangible assets and property, plant and equipment

Intangible assets and Property, Plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimate recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there is a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

L Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assesments of the time value of money and the risks specific to the liability.

SINGHI & CO. Chartered Accountants

M **Earnings per equity share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Diluited earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (ie. the average market value,of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the begining of the period, unless issued at a later date. Dilutive potential equity shares are deemed converted as of the begining of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all the periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

N **Income taxes**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for the current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorites, using the tax rates and tax laws that have been enacted or subtantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subtantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the subtantive enactment date A deferred income asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

O **Employee Benefits**

O.1 **Gratuity**

The Company provides for gratuity, a defined benefit retirement plan ('The Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to Gratuity plan are determined by acturial estimate at each Balance sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Gratuity fund of Life Insurance Corporation (LIC) group gratuity plan.

P **Cash flow Statement**

Cash flow are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any defferals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Q **Other income**

Other income is comprised primarily of interest income, and gain/loss on investments and on translation of other assets and liabilities. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

R **Leases**

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalised at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense on a straight line basis in net profit in the statement of profit and loss over the lease term.

S **Inventories**

Inventories compromise of Raw material, Work in Progress, Finished Goods and Stock of traded goods. Raw material is valued at cost and other materials are valued at lower of cost and net realizable value. Cost is determined on a first in first out basis.

Net Realizable value is estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

SINGHI & CO. Chartered Accountants

ANNEXURE - VI

Note: 1

Property, Plant & Equipment:

Particulars	Gross Block							Depreciation/Amortization/Depletion							Net Block		
	As at April 1, 2016	Impact on IND AS transition	Adjustments /Additions/(Deductions)	As at April 1, 2017	Adjustments/ Additions	Adjustments/ Deductions	As at March 31, 2018	As at April 1, 2016	Impact on IND AS transition	Adjustments/ Additions/(Deductions)	As at April 1, 2017	For the year	Adjustments/ Deductions	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Tangible Assets																	
Free Hold Land *	39.00	-	-	39.00	17.80	-	56.81	-	-	-	-	-	-	-	56.81	39.00	39.00
Lease Hold Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	225.94	-	500.62	726.55	219.49	-	946.04	123.61	-	11.56	135.17	24.07	-	159.24	786.80	591.38	102.32
Plant & Machinery-Owned	5,996.23	-	4,221.17	10,217.40	1,817.99	-	12,035.39	2,771.66	-	424.20	3,195.85	622.75	-	3,818.60	8,216.79	7,021.55	3,224.57
Plant & Machinery-Power Line	16.07	-	-	16.07	-	-	16.07	12.89	-	0.12	13.01	0.12	-	13.13	2.94	3.06	3.18
Pollution Control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furnitures & Fixtures	-	-	3.19	3.19	2.21	-	5.39	-	-	0.01	0.01	0.32	-	0.33	5.06	3.18	-
Vehicles	24.91	-	26.35	51.26	0.59	-	51.85	16.67	-	2.62	19.29	4.23	-	23.52	28.33	31.97	8.24
Computers	14.22	-	-	14.22	-	-	14.22	13.34	-	0.08	13.42	0.08	-	13.49	0.72	0.80	0.88
Lab Equipments	2.92	-	-	2.92	-	-	2.92	2.78	-	-	2.78	-	-	2.78	0.15	0.15	0.15
Office Equipments	5.50	-	-	5.50	-	-	5.50	5.24	-	-	5.24	-	-	5.24	0.26	0.26	0.26
Total (A)	**6,324.79**	-	**4,751.32**	**11,076.11**	**2,058.08**	-	**13,134.19**	**2,946.18**	-	**438.58**	**3,384.77**	**651.57**	-	**4,036.33**	**9,097.86**	**7,691.35**	**3,378.61**
Intangible Assets (B)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (A+B)	**6,324.79**	-	**4,751.32**	**11,076.11**	**2,058.08**	-	**13,134.19**	**2,946.18**	-	**438.58**	**3,384.77**	**651.57**	-	**4,036.33**	**9,097.86**	**7,691.35**	**3,378.61**
Capital Work-in-Progress**	**840.82**	-	**(830.35)**	**10.48**	**10,436.25**	-	**10,446.72**	-	-	-	-	-	-	-	**10,446.72**	**10.48**	**840.82**

* Free hold land value includes Rs. 17.80 Lakhs capitalised during FY 2017-18 related to Sales tax dues of Sangam Cements prior to the acquisition of factory at Kaladgi, settled through Karsamadhan Scheme during the year.

** Capital Work in Progress includes Expansion project of Cement plant and Solar Power generation projects. Summary of Expenditure incurred, capitalised and work in progress details as follows:

Particulars	As at March 31, 2017	As at March 31, 2018
Opening balance	840.82	10.48
Additions	3,753.95	11,624.11
Interest expense	167.02	870.21
	4,761.80	12,504.80
Less: Capitalised	4,751.32	2,058.08
Closing balance	**10.48**	**10,446.72**

SINGHI & CO. Chartered Accountants

ANNEXURE - VI (Contd..,)

		As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
2	Other Non Current Financial Assets			
	Security deposits	148.60	122.62	119.53
	Other Non Current Financial Assets	46.75	46.75	28.65
	Total	195.35	169.37	148.18

		As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
3	Inventories			
	(At lower of cost and net realisable value)			
	Raw Materials	394.29	854.06	239.39
	Packing Material	9.63	3.71	2.82
	Work in Progress	170.85	82.20	82.38
	Finished Goods	70.30	68.06	66.45
	Stores and Spares	408.60	148.54	238.02
	Traded Goods	518.21	14.17	14.63
	Total	1,571.87	1,170.75	643.70

		As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
4	Trade Receivables			
	(Unsecured, considered good, unless otherwise stated)			
	Receivable from Related person	-	-	-
	Receivable from Others			
	Trade Receivables	600.59	324.00	96.56
	Total	600.59	324.00	96.56

		As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
5	Cash & Bank Balances			
	Cash and Cash equivalents			
	Cash on hand	28.89	81.95	15.44
	Balances with Banks	-	-	-
	On current accounts	0.72	501.15	4.05
	On Cash Credit Account	-	-	-
	Unpaid dividend account	9.62	5.01	0.25
		39.23	588.11	19.75
	Other Bank deposits	137.10	-	-
		137.10	-	-
	Book overdraft in Current Account	-	-	-
	Total	176.33	588.11	19.75

SINGHI & CO. Chartered Accountants

Details of Specified Bank Notes (SBN) held and transacted during the period 08th Nov, 2016 to 30th Dec,

Particulars	SBN's	Other Denomination Notes	Total
Closing cash in hand as on Nov 8, 2016	1,12,26,000	62,05,786	1,74,31,786
(+) Permitted receipts	93,22,000	15,30,757	1,08,52,757
(-) Permitted payments	-	(970)	(970)
(-) Amount deposited in banks	(2,05,48,000)	-	(2,05,48,000)
Closing cash in hand as on Dec 30, 2016	-	**77,35,573**	**77,35,573**

		As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
6	Other Current Financial Assets			
	Unsecured, considered good			
	Deposit and Others- Dealers Security deposit	12.83	3.69	2.94
	Sales Tax Advance	0.46	0.46	-
	Entry Tax Receivable (During 15.05.15 to 30.09.16)	-	13.38	-
	Advance Income Tax & TDS	1.45	47.66	-
	Total	**14.75**	**65.19**	**2.94**

		As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
7	Other Current Assets			
	Prepaid Expenses	8.18	-	-
	MAT Credit Entitlement	241.74	241.74	164.87
	Central Excise RG 23A	-	9.02	1.66
	Central Excise RG 23C	-	14.59	1.46
	Service Tax	-	7.38	1.20
	PLA Account	-	0.11	3.68
	Central Excise Capital Goods 50% Recoverable	-	86.21	19.05
	IT Refund 16-17	36.40	-	-
	Advance Income Tax & TDS	-	-	70.47
	GST Receivable	830.74	-	-
	Cess Receivable	10.01	-	-
	Total	**1,127.07**	**359.06**	**262.40**

SINGHI & CO. Chartered Accountants

ANNEXURE - VI (Contd..,)

	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
8 Equity Share Capital	Units	Amount Rs. In Lakhs	Units	Amount Rs. In Lakhs	Units	Amount Rs. In Lakhs
8.1 Authorized:						
Equity Shares of Rs 10/- each	1,20,00,000	1,200.00	6,00,00,000	600.00	6,00,00,000	600.00
8.2 Issued, Subscribed & Paid up						
Equity Shares of Rs 10/- each	51,24,200	512.42	51,24,200	512.42	51,24,200	512.42
Total		512.42		512.42		512.42

8.3 Reconciliation of Shares outstanding as follows:

Particulars	As on 31st March, 2018 No of Shares	As on 31st March, 2017 No of Shares	As on 1st April, 2016 No of Shares
Equity Shares at the beginning of the year	51,24,200	51,24,200	
Add: Shares issued during the year	-	-	-
Equity shares at the end of the year	51,24,200	51,24,200	51,24,200

8.4 The details of share holders holding more than 5% shares

Name of the share holder	As on 31st March, 2018		As on 31st March, 2017		As on 1st April, 2016	
	No. of shares	% held	No. of shares	% held	No. of shares	% held
Roopa Katwa	-	-	-	-	2,61,350	5.10
Deepak Katwa	4,83,800	9.44	4,83,800	9.44	8,04,296	15.70
Vilas Katwa	4,83,800	9.44	4,83,800	9.44	8,04,190	15.69
Venkatesh Katwa	4,83,800	9.44	4,83,800	9.44	6,80,350	13.28
Katwa Infotech Ltd	17,40,264	33.96	17,40,264	33.96	4,61,042	9.00

8.5 Company has only one class of shares referred to as equity shares having par value of Rs.10 each. Each holder of shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

SINGHI & CO. Chartered Accountants

ANNEXURE - VI (Contd..,)

	As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
9 Other Equity			
9.1 General Reserve			
i. General Reserve	71.53	23.25	23.25
Add: Transferred from surplus in Statement of Profit & Loss	-	-	-
Less: Adjustment for change in useful life of fixed assets	-	-	-
Add: Transferred from below other reserve	-	48.28	7.74
Balance as at the end of the year	**71.53**	**71.53**	**30.99**
ii. Investment Allowance Reserve	520.52	520.52	-
Balance as at the end of the year	**592.05**	**592.05**	**30.99**
9.2 Surplus in Statement of Profit and Loss			
Balance as per the last Financial Statement	950.02	836.38	922.83
Profit for the period	(171.82)	176.27	422.18
Less: Ind AS adjustement	1.75	(0.96)	(441.83)
	779.95	**1,011.69**	**903.18**
Less: Appropriations			
Proposed final equity dividend	-	51.24	51.24
Tax on proposed dividend	-	10.43	10.43
Transfer to general reserve	-	-	5.12
Total Appropriations	**-**	**61.67**	**66.80**
Net Surplus in the Statement of Profit & Loss	**779.95**	**950.02**	**836.38**
9.3 Other comprehensive income			
Balance as per the last Financial Statement	(17.26)	(4.86)	-
Add/(Less):Change during the period	(3.60)	(12.39)	(4.86)
Balance as at the end of the financial year	**(20.86)**	**(17.26)**	**(4.86)**
Total	1,351.15	1,524.81	**862.51**

SINGHI & CO. Chartered Accountants

ANNEXURE - VI (Contd..,)

		Effective Interest rate	Maturity	As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
10	Non Current Borrowings					
	Term Loan secured from banks					
	704 Lakhs from Axis Bank for business needs	14.54	31 Oct 2017	-	-	49.90
	7.3 Lakhs of loan for Bolero	11.06	31 Mar 2023	4.87	5.75	6.59
	500 Lakhs loan from Sarawat Bank for business needs	11.16	31 Mar 2027	393.45	453.78	-
	24 lakhs of loan for Innova	9.97	31 Aug 2023	16.37	19.94	-
	4140 Lakhs Loan from Syndicate Bank for Project Expansion	12.05	31 Jul 2025	3,255.32	3,002.60	-
	8000 Lakhs Loan from Syndicate Bank for Solar Project	11.56	31 Oct 2030	6,072.15	-	-
	Total Non Current Borrowings			9,742.16	3,482.08	56.49
11	Current Borrowings					
	Loan repayable on demand					
	From Banks secured					
	Bank overdraft	11.85	On demand	2,125.31	597.85	1,122.51
	Unsecured loan					
	From directors	9.00	On demand	2,473.05	1,793.38	1,123.38
	From other related parties	9.00	On demand	1,119.09	-	4.21
	Total Current Borrowings			5,717.45	2,391.23	2,250.10

i) Loan from Syndicate Bank (1350 lakhs)

This loan is secured by a first charge on all the fixed assets (both present and future)of the company in respect of Unit I & II. This loan is repayable full on 31st August 2016 and hence it is classified under other current financial liabilities. (Also refer note 14)

ii) Axis Bank Loan 704 Lakhs

a) 454 Lakhs loan

This loan is secured on all the fixed assets of the company along with Syndicate bank and it is taken to take over the existing term loan of Karnataka bank. This loan is repaid full on 31st August 2018 hence classified under other current financial liabilities. (Also refer Note 14)

b) 250 Lakhs loan

This loan is secured on the personal property and on personal guarantee of the directors. This loan preclosed on 31st March 2018 hence classified under other current financial liabilities. (Also refer Note 14)

iii) 7.3 Lakhs of loan for Bolero

This loan is secured by hypothecation of Bolero car.

iv) 500 lakhs loan from Sarawat Bank for business needs

This loan is secured on all piece and parcel of the property comprising land with building, bearing plot no. 2 out of Sy no. 215/2, situated at 6th cross, Nazar camp, Madhavpur, Vadagaon, Belgaum - 590005. This loan is repayable in 120 equated monthly installments.

v) 24 lakhs of loan for Innova

This loan is secured by hypothecation of Innova car.

vi) 4140 Lakhs Term Loan from Syndicate Bank for Project Expansion

Loan of Rs. 3373 Lakhs is secured by a first charge on the hypothecation of RM, WIP, Stock in trade, assignments of both units and mortgage / hypothecation of entire block of fixed assets incl 35 acres of land at Lokapur plant. This loan is taken to enhance the grinding capacity of the cement mill at lokapur plant from 200 TPD to 1100 TPD . Repayment period of this loan is 9 Years and 3 Months. An additional loan of Rs.767 Lakhs has been taken on the same terms ans conditions to meet the additional cost of pollution control equipment and additional crusher units.

vii) 8000 Lakhs Loan from Syndicate Bank for Solar Project

This loan is secured by a first charge on project land 103 acres 34 gunta in the name of Vilas Katwa, his wife Smt. Tina V Katwa and Deepak Katwa and his wife Smt. Prajyokta Katwa, valued at Rs 684 Lakhs, hypothecation of 20 MW AC supply unit valued at 99.52 crores and associated securities like power excavation, bay extension erection worth Rs 876 Lakhs. This loan is taken for setting up 20MW captive solar power at Bisarahalli with the cost of Rs 11922 Lakhs. Repayment term is 13 years including the moratorium period of 1 year.

viii) Bank Overdraft

This loan is secured by a first charge on mortgage & hypothecation of block of fixed assets incl land 14 acres 8 guntas and building and machinery of cement plant at plant Kaladgi.

Maturity Profile of Secured term loans from Banks as follows:

Particulars	Maturity Profile			Non Current	Current
	11-15 Years	6 -10 Years	2-5 Years	Total	1 Year
Term loans from banks	1,165.36	5,344.82	3,231.97	9,742.16	764.93

SINGHI & CO. * Chartered Accountants *

ANNEXURE - VI (Contd..,)

		As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
12	Deferred Tax Liabilities			
	Deferred Tax Liability			
	Property, plant and equipment	788.83	597.34	477.23
	Deferred Tax Asset			
	Provision for Doubtful Debts and Advances	-	-	-
	MAT Credit Entitlement	241.74	241.74	164.87
	Net Deferred Tax Liabilities	1,030.57	839.08	642.11

		As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
13	Trade Payables			
	Due to Micro, Small and Medium Enterprises	-	-	-
	Due to Others	214.53	424.38	215.38
	Total	214.53	424.38	215.38

There are no amounts outstanding to Micro, Small and Medium Enterprises as at March 31, 2018 and no amount were over due during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

		As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
14	Other Current Financial Liabilities			
	Security Deposits from Dealers	83.05	71.48	62.30
	Book Overdraft in Current Account	-	-	-
	Payable for Project Expansion	144.09	320.60	-
	Payable for Solar Project	3,400.60	45.29	-
	Current Maturities of Long Term Borrowings (Incl. Interest Accrued)	764.93	471.66	370.92
	Total	4,392.66	909.04	433.22

		As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
15	Other Current Liabilities			
	Statutory dues payable	79.77	55.54	56.35
	Deferred Revenue	-	-	-
	Payable to employees	45.94	31.85	16.54
	Electricity charges payable	109.42	72.52	74.29
	Total	235.14	159.91	147.18

		As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
16	Provisions			
	Provision for Income tax (Net of Advance)	-	13.04	192.00
	Provision for Gratuity payable	19.90	9.16	4.18
	Unpaid Dividend 12-13	0.25	0.25	0.25
	Unpaid Dividend 15-16	4.80	4.82	-
	Unpaid Dividend 16-17	4.70	-	-
	Proposed Equity Dividend	-	51.24	51.24
	Tax on proposed Equity dividend	-	10.43	10.43
	Other Provision	4.82	46.41	15.45
	Total	34.48	135.35	273.55

* Unpaid dividend do not include any amounts due and outstanding, to be credited to Investor Education and Protection Fund.

SINGHI & CO. ★ Chartered Accountants ★

ANNEXURE - VI (Contd..,)

	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
17 Sale of products		
Finished Goods	2,985.98	4,242.18
Stock in trade	2,219.24	914.75
Total	5,205.22	5,156.93
Details of product sold		
Cement	3,497.28	4,339.34
Clinker	-	11.31
Coal	1,102.84	171.84
Petrol & Diesel	598.93	632.79
Fly Ash	6.17	-
Total	5,205.22	5,155.28

	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
18 Other income		
Interest Income	16.31	10.31
Discount received	11.37	11.69
Other Income	4.80	31.84
Total	32.48	53.84

	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
19 Cost of raw materials consumed		
I. Raw Material and Packing Material:		
Raw material and Packing material at the beginning of the year	306.31	242.21
Add: Purchases during the year	1,075.69	1,897.52
	1,382.00	2,139.73
Less : Inventory at the end of the year	403.91	857.77
Cost of materials consumed	978.09	1,281.95

* Inventory value of the coal (Stock in trade) has been reclassified from Raw Material inventory to Stock inventory in FY 2017-18. Inventory of Stores and Spares and Work in Progress are also reclassified from Raw Material Inventory to Changes in Inventory of Finished Goods, Work in Progress and Stock in Trade.

	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
20 Purchases of stock in trade		
Goods purchased (incl freight)	1,654.24	688.80
Total	1,654.24	688.80

	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
21 Changes in inventories of finished goods, stock in trade & work in progress		
Decrease/(Increase) in inventories		
Inventories at the end of the year		
Stock in trade	518.21	14.17
Semi Finished Goods	170.85	82.20
Finished Goods	70.30	68.06
	759.36	164.43
Inventories at the beginning of the year		
Stock in trade	565.64	14.63
Semi Finished Goods	82.20	82.38
Finished Goods	68.06	66.45
	715.89	163.47
Total	(43.47)	(0.96)

SINGHI & CO. Chartered Accountants

	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
22 Other Manufacturing expenses		
Power and Fuel consumed	1,054.01	917.19
Repairs- Plant and Machinery	148.48	94.86
Lab Material	0.64	0.34
Total	1,203.13	1,012.39

	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
23 Employee benefit expenses		
Salaries, wages & Bonus	245.46	201.19
Directors remuneration	9.00	9.00
Gratuity	7.34	6.24
Statutory remittances	28.32	30.98
Total	290.12	247.41

The following tables set out the funded status of the gratuity plans and the amounts recognized in the company's financial statements as at March 31, 2018 and March 31, 2017 :

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Change in benefit obligations		
Benefit obligations at the beginning of the year	44.30	23.88
Service Cost	6.66	7.08
Interest expense	3.28	1.91
Remeasurements - Actuarial (gains) /losses	3.60	12.39
Benefits paid	(0.20)	(0.96)
Benefits obliged at the end of the year	57.64	44.30
Change in plan assets		
Fair value of the plan assets at the beginning	32.63	20.39
Interest income	1.94	1.65
Contributions	-	11.55
Benefits paid	(0.20)	(0.96)
Fair value of the plan assets at the end	34.37	32.63

The amount for the years ended March 31, 2018 and March 31, 2017 recognised in the statement of Profit and Loss account under employee benefit expenses is as follows :

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Service Cost	7.08	4.90
Net interest on the net defined benefit liability/asset	0.26	1.34
Curtailment gain		
Net gratuity cost	7.34	6.24

The amount for the years ended March 31, 2018 and March 31, 2017 recognised in the statement of other comprehensive income is as follows :

Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Remeasurements - of the net defined benefit liability/ (asset)		
Actuaril (gains) / losses	3.60	12.39
(Return) loss on the plan assets excluding amounts included in the net interest on the net		
	3.60	12.39

The weighted-average assumptions used to determine benefit obligations as at March 31, 2018, March 31, 2017 and 1st April 2016 are as follows :

Particulars	As of March 31, 2018	2017	As of April 1, 2016
Discount rate	7.5%	8%	8%
Weighted average rate increase in compensation levels	7%	7%	7%

The weighted-average assumptions used to determine net periodic benefit cost for the years ended March 31, 2018 and March 31, 2017 are as follows :

Particulars	For the Year ended as on March 31, 2018	2017
Discount rate (%)	7.5%	8%
Weighted average rate increase in compensation levels	7%	7%

SINGHI & CO. Chartered Accountants

ANNEXURE - VI (Contd..,)

	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
24 Finance costs		
Interest expenses*	86.52	313.40
Bank Charges	2.70	3.35
TOTAL	89.22	316.75

* Interest expenses are net of interest capitalised of Rs 870.21 lakhs (Previous year Rs 167.02 lakhs) Refer note 1.1

	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
25 Other expenses		
Excise Duty *	134.18	175.55
Rent	1.80	1.80
Advertisement, Publicity and Sales Promotion	8.01	8.34
Insurance	0.89	1.11
Rates and taxes (other than taxes on income)	14.77	11.50
Audit Fees**	1.78	0.45
Legal, Professional and Consultancy Charges	7.41	10.75
Security Charges	33.36	22.79
Directors Fees and Sitting Fees	0.40	0.36
Processing Fees	14.08	-
Postage Telegram and printing	0.85	0.04
Miscellaneous Expenses	32.68	15.83
Transport Charges	136.11	147.42
TOTAL	386.32	395.92

* Excise Duty shown under expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stock of finished goods.

** Payable to Auditors	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
(a) Auditor:		
Statutory Audit Fees	1.00	0.15
Tax Audit Fees	0.35	0.15
(b) Certification and consultation fees	0.43	0.15
TOTAL	1.78	0.45

ANNEXURE- I

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belgaum- 590005 KA

RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Amount Rupees in Lakhs)

Particulars	Note	As at 31 March 2018	As at 31 March 2017
ASSETS			
NON- CURRENT ASSETS			
Property, plant and equipment	1	9,097.86	7,691.35
Capital work-in-progress		10,446.72	10.48
Financial assets			
i) Other non-current financial assets	2	195.35	169.37
Total Non- Current Assets		19,739.93	7,871.19
CURRENT ASSETS			
Inventories	3	1,571.87	1,170.75
Financial assets			
i) Trade receivable	4	600.59	324.00
ii) Cash and cash equivalents	5	176.33	588.11
iii) Other current financial assets	6	14.75	65.19
Other current assets	7	1,127.07	359.06
Total Current Assets		3,490.62	2,507.11
Total Assets		23,230.54	10,378.30
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	8	512.42	512.42
Other Equity	9		
i)General Reserve		592.05	592.05
ii) Retained Earnings/surplus		779.95	950.02
iii) Other comprehensive income		(20.86)	(17.26)
Total Equity		1,863.57	2,037.23
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	10	9,742.16	3,482.08
ii) Other non-current financial liabilities			
Deferred Tax Liabilities (Net)	12	1,030.57	839.08
Total Non-Current Liabilities		10,772.72	4,321.16
Current liabilities			
Financial liabilities			
i) Borrowings	11	5,717.45	2,391.23
ii) Trade payables	13	214.53	424.38
iii) Other current financial liabilities	14	4,392.66	909.04
Other current liabilities	15	235.14	159.91
Provisions	16	34.48	135.35
Total Current Liabilities		10,594.25	4,019.91
Total liabilities		21,366.98	8,341.06
Total Equity and Liabiltiies		23,230.54	10,378.30

SINGHI & CO. Chartered Accountants

NOTES FORMING PART OF FINANCIAL STATEMENTS

26.2 FIRST TIME IND AS ADOPTION RECONCILIATIONS

i The reconciliation of Total Equity as reported under Previous GAAP and Ind AS is given below:

(Amount Rs. In Lakhs)

Nature of Adjustment	As at 31.03.2017	As at 01.04.2016
Total Equity reported under previous GAAP	2,636.06	1,986.49
Remeasurement of the net defined benefit liability/asset	(26.22)	(4.86)
Reclassification of Mat credit	(241.74)	(164.87)
Change in estimate of Useful life of Property Plant and equipment	(173.07)	(518.49)
Additional Provision for Gratuity	(13.83)	(19.70)
Unamortised cost on Term Loan	(3.34)	(3.36)
Change in Deferred Tax Liability	(140.62)	99.72
Total Equity as per Ind AS	**2,037.23**	**1,374.93**

26.3 The reconciliation of Net Profit under Ind AS for the year ended March 31, 2017 with the IGAAP is given below:

Particulars	For the Year ended 31.03.2017 Rs. In Lakhs
Net Profit/(Loss) for the period under IGAAP	73.30
Adjustment of acutarial gains /losses , arising in respect of employee	(4.83)
Interest recognition adjustment as per EIR method	(3.34)
Adjustment of depreciation and amortization due to change in estmiation of Useful life	251.76
Tax Adjustments on above	(140.62)
Other Comprehensive income (Net of tax)	(12.39)
Profit for the year under Ind AS	**163.87**

SINGHI & CO. Chartered Accountants

NOTES FORMING PART OF FINANCIAL STATEMENTS

26.4 FIRST TIME IND AS ADOPTION RECONCILIATIONS

Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017

(Amount Rs. in Lakhs)

Particulars	Note	Year ended March 31, 2017		
		IGAAP	Effects of transition to Ind AS	Ind AS
Revenue from operations		5,035.22	121.71	5,156.93
Other income, net		-	53.84	53.84
Total income		*5,035.22*	*175.55*	*5,210.77*
Expenses				
Cost of Materials Consumed		1,449.45	(167.50)	1,281.95
Purchase of stock in trade		603.79	85.02	688.80
Change in inventories of Finished Goods and Stock in Trade		6.75	(7.72)	(0.96)
Other Manufacturing Expenses		922.19	90.20	1,012.39
Employee benefit expense		233.58	13.83	247.41
Finance Costs		313.41	3.34	316.75
Investment Allowance		520.52	-	520.52
Depreciation and amortisation expenses		690.34	(251.76)	438.58
Other expenses		229.37	166.55	395.92
Total expenses		*4,969.41*	*(68.04)*	*4,901.37*
Profit/Loss before exceptional items and tax		65.82	243.59	309.40
Exceptional Items		-	-	-
Profit before tax		65.82	243.59	309.40
Tax expense				
Current Tax		(13.04)	-	(13.04)
Deferred Tax		20.52	(140.62)	(120.10)
Profit for the period		*73.30*	*102.96*	*176.27*
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss			-	
Remeasurement of the net defined benefit liability/asset		-	(12.39)	(12.39)
		-	(12.39)	(12.39)
Items that will be reclassified subsequently to profit or loss		-	-	-
Total other comprehensive income, net of tax		-	(12.39)	(12.39)
Total comprehensive income, for the period		*73.30*	*90.57*	*163.87*

Explanations to the reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS:

I. **Revenue from operations:**

As per Schedule III Division II of Companies Act, 2013, revenue from sale of products should be inclusive of Excise Duty. Further, reclassification of Other operative income to Other income made. There is no adjustment as per IndAS.

II. ***Coast of material consumed and other manufacturing expenses:***

Reclassification of raw material, packing material, work in progress, stores and spares and stock in trade inventory and their consumption made as per revised Schedule II format. There is no adjustment for the value as per IndAS.

III. **Employee Benefit Expenses:**

Gratuity provision is accounted as per IndAS 19- "Employee Benefits". Further, Directors remuneration is reclassified from Sitting Fees under Other expenses.

IV. ***Finance Costs***

Amount includes adjustment regarding interest recognition as per EIR method, considering net cash flow in relation to the respective borrowing.

V. ***Depreciation and amortisation expenses***

The shown reduction to charge of depreciation is due to revised estimate of useful life of the asset as per Schedule II of The Companies Act 2013.

VI. ***Other Expenses:***

Director remuneration and Excise Duty paid is reclassified from Other expenses and Revenue from operation respectively.

VII. ***Other comprehensive income:***

Actuarial Gain/(Loss) is recognised as Other comprehensive income as per IndAS 19- "Employee Benefits".

SINGHI & CO. Chartered Accountants

Annexure VII - Summary of Accounting Ratios

(Amount Rs in Lakhs except number of share and Earnings per share)

S. No.	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
A	Net profit after tax as restated	(171.82)	176.27	422.18	290.64	162.08
B	Add: Expense recognized in reserves (ESOP)	NIL	NIL	NIL	NIL	NIL
C	Net profit after tax as restated (A+B)	(171.82)	176.27	422.18	290.64	162.08
D	Net worth at the end of the year - as restated	1863.57	2037.23	1374.93	1,698.10	1,419.40
E	Total adjusted number of equity shares outstanding at the end of the year	51.24	51.24	51.24	51.24	51.24
F	Adjusted weighted average number of equity shares for Basic EPS outstanding at the end of the period	51,24,000	51,24,000	51,24,000	51,24,000	51,24,000
G	Adjusted weighted average number of equity shares for Diluted EPS outstanding at the end of the period	51,24,000	51,24,000	51,24,000	51,24,000	51,24,000
H	Net worth for equity shareholders	1863.57	2037.23	1374.93	1,698.10	1,419.40
I	**Accounting ratios:**					
	Earnings per share					
	Basic earnings per share	(3.42)	3.20	8.24	6.53	5.32
	Diluted earnings per share	(3.42)	3.20	8.24	5.32	5.32
	Return on net worth (%) (A/D)	(9.22)	8.65	30.73	17.12	11.42
	Net asset value per share of Rs. 10 each	36.37	39.76	26.83	33.14	27.70

Note:

1. The above ratios are calculated as under:
   a. Basic earnings per share = Net profit attributable to equity shareholders / weighted average number of shares outstanding during the year
   b. Diluted earnings per share = Net profit attributable to equity shareholders / weighted average number of diluted potential shares outstanding during the year.
   c. Return on net worth (%) = Net profit attributable to equity shareholders / net worth as at the end of year.
   d. Net asset value (Rs) = Net worth / number of equity shares as at the end of year.

2. The figures disclosed above are based on the Restated Standalone Financial Information of SHRI KESHAV CEMENTS AND INFRA LIMITED.
3. Earning per shares (EPS) calculation is in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings per share" prescribed by the The Companies (Indian Accounting Standards) Rules, 2015 for the Year ended 31st March 2016, 2017 and 2018. EPS calculation is in accordance Accounting Standard 20 "Earnings per Share" referred to in section 211of the Companies Act, 1956 for the Year ended 31st March 2014 and section 133 of the Companies Act 2013 and rules there under for the Year ended 31st March 2014.
4. Net worth for ratios is = Equity share capital + Other equity

SINGHI & CO. ★ Chartered Accountants ★

Annexure VIII– Restated Statement of Capitalisation (Prior to offer)

Rs *in lakhs*

Particulars	Pre-Issue as at 31-03-2018	As adjusted for the issue *
Debts		
Long Term Borrowings	9,742.16	
Short Term Borrowings	10,594.25	
Total Debt	**20336.41**	
Equity (shareholder's funds)		
Equity Share Capital	512.42	
Reserves & Surplus	1351.15	
Total Equity	**1863.57**	
Debt / Equity Ratio	**10.91**	

***Shall be updated at the time of filing of letter of offer with the stock exchange**

Annexure IX – Contingent Liabilities

Sr. No.	Particulars	As at 31.03.18	As at 31.03.17	As at 31.03.16	As at 31.03.15	As at 31.03.14
1	Contingent Liabilities	Nil	Nil	Nil	Nil	Nil

Annexure X – Earnings per Share

(Amount Rs*In Lakhs except number of shares and earnings per share)*

Sr. No.	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
A	Net profit after tax as restated	(171.82)	176.27	422.18	290.64	162.08
B	Add: Expense recognized in reserves (ESOP)	0	0	0	NIL	NIL
C	Net profit after tax as restated (A+B)	(171.82)	176.27	422.18	290.64	162.08
D	Total adjusted number of equity shares outstanding at the end of the year	51,24,000	51,24,000	51,24,000	51,24,000	51,24,000
E	Adjusted weighted average number of equity shares for Basic EPS outstanding at the end of the period	51,24,000	51,24,000	51,24,000	51,24,000	51,24,000
F	Adjusted weighted average number of equity shares for Diluted EPS outstanding at the end of the period	51,24,000	51,24,000	51,24,000	51,24,000	51,24,000
G	Net profit after tax as restated	(171.82)	176.27	422.18	290.64	162.08
H	**Accounting ratios:**					

SINGHI & CO. Chartered Accountants

Sr. No.	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014
	Basic earnings per share	(3.42)	3.20	8.24	6.53	5.32
	Diluted earnings per share	(3.42)	3.20	8.24	5.32	5.32

Earning per shares (EPS) calculation is in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings per share" prescribed by the The Companies (Indian Accounting Standards) Rules, 2015 for the Year ended 31st March 2016, 2017 and 2018. EPS calculation is in accordance Accounting Standard 20 "Earnings per Share" referred to in section 211of the Companies Act, 1956 for the Year ended 31st March 2014 and section 133 of the Companies Act 2013 and rules there under for the Year ended 31st March 2014.

SINGHI & CO. Chartered Accountants

ANNEXURE- XI

STATEMENT OF RELATED PARTY TRANSACTION

i	*List of Key Managerial Persons*	Nature of relationship
	a) Mr. Vilas H Katwa	Managing Director
	b) Mr.Deepak H Katwa	CFO-Executive Director
	c) Mr.Venkatesh H Katwa	Whole Time Director
	d) Mr.Satish D Kalpavriksha	Non-Executive (Independent)
	e) Mr. Balasaheb A Mestri	Non-Executive (Independent) with effect from 12th Aug, 2017
	f) Mr. Radhika D Pinan	Non-Executive (Independent) with effect from 12th Dec, 2017
	g) Mr. Santhosh Shadadal	Company Secretary

Relative of Key Managerial Personnel

a) Mr. H.D. Katwa
d) N.H. Katwa
e) Mrs. Prajakta D Katwa
f) Mrs. Roopa V Katwa
g) Mrs. Tina V Katwa

ii *Transactions with Key Managerial Personnel during the period/ year are summarised below:*

Nature of transactions	For the year ended as at 31-Mar-18 Rs. In Lakhs	For the year ended as at 31-Mar-17 Rs. In Lakhs	For the year ended as at 31-Mar-16 Rs. In Lakhs
Salaries and other employee benefits			
Short Term Employee Benefits			
a) Remuneration to Managing Director & Whole Time Director	9.00	9.00	3.00
b) Remuneration to other directors	-	-	-
Fee for attending board or committee meetings	0.40	0.70	0.60
c) Remuneration to company secretary	3.16	3.13	2.40
	12.56	**12.83**	**6.00**
Rent paid/Payable			
Key Managerial Personnel	1.80	1.80	0.60
	1.80	**1.80**	**0.60**
Unsecured Loans			
Opening Balance			
a) Key Managerial Personnel	1,793.38	1,123.38	1,302.20
b) Relatives of KMP	-	4.21	-
Taken during the year			
a) Key Managerial Personnel	1,319.27	1,670.58	92.83
b) Relatives of KMP	1,233.78	3.67	4.20
Interest credited			
a) Key Managerial Personnel	175.88	173.60	121.60
b) Relatives of KMP	63.26	0.02	0.01
Repaid during the year			
a) Key Managerial Personnel	815.48	1,174.18	393.24
b) Relatives of KMP	177.95	7.90	-
Closing Balance			
a) Key Managerial Personnel	**2,473.05**	**1,793.38**	**1,123.38**
b) Relatives of KMP	**1,119.09**	**-**	**4.21**

Terms Conditions of Loan:

Company has received short term unsecured loan from directors and their relatives to meet the working capital requirement and the loan is repayable in demand. Interest will be payable at the rate of 9% on the average balance outstanding.

Purchase of Land for Solar Project from			
a) Key Managerial Personnel	554.60	-	-
b) Relatives of KMP	197.40	-	-

SINGHI & CO. * Chartered Accountants *

ANNEXURE- I A

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belagavi- 590005 KA

RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Amount Rupees in Lakhs)

Particulars	Note	IGAAP As at 31 March 2015	IGAAP As at 31 March 2014
EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share capital	2	512.42	512.42
(b) Reserves and Surplus	3	1,185.68	906.98
		1,698.10	1,419.40
Non-current liabilities			
(a) Long-Term Borrowings	4	724.54	780.26
(b) Deferred Tax Liabilities (Net)	5	562.10	518.15
(c) Other Long-Term Liabilities		-	-
(d) Long-Term Provisions		-	-
		1,286.64	1,298.40
Current liabilities			
(a) Short-Term Borrowings	6	2,625.69	3,214.62
(b) Trade Payables		40.38	143.84
(c) Other Current Liabilities	7	78.28	47.89
(d) Short-Term provisions	8	241.49	206.57
Total Current Liabilities		2,985.83	3,612.92
Total Equity and Liabiltiies		5,970.57	6,330.72
ASSETS			
NON- CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	9	4,182.23	4,349.09
(b) Long -term loans and advances	10	124.83	126.28
(c) Other non-current assets		-	-
Total Non- Current Assets		4,307.06	4,475.38
		-	-
CURRENT ASSETS			
(a) Current Investments		-	-
(b) Inventories	11	1,095.94	1,298.83
(c) Trade Receivables	12	222.80	168.23
(d) Cash and cash equivalents	13	40.05	36.87
(e) Short-Tem loans and advances		-	-
(f) Other current assets	14	304.73	351.41
Total Current Assets		1,663.50	1,855.34
		-	-
Total Assets		5,970.57	6,330.72
Summary of significant accounting policies	1		

SINGHI & CO. Chartered Accountants

ANNEXURE-II A

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belagavi- 590005 KA

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Amount Rupees in lakhs)

	Particulars	Note No.	IGAAP For the Year ended 31 March,	
			2015	2014
I	Revenue from operations			
	Sales of products		5,432.56	5,070.09
	Sales of services		-	-
	Other operating revenues		16.26	26.03
	Less : Excise Duty		352.18	274.64
			5,096.64	4,821.48
II	Other income, net	23	-	-
III	**Total Income (I+II)**		5,096.64	4,821.48
	EXPENSES			
	Cost of Materials Consumed	24	1,947.71	1,640.05
	Purchase of stock in trade		442.66	751.37
	Change in inventories of Finished Goods and Stock in Trade		56.99	(33.08)
	Other Manufacturing Expenses	25	1,365.79	1,235.01
	Employee benefit expense	26	106.87	72.01
	Finance Costs	27	406.71	457.56
	Depreciation and amortisation expenses		293.51	280.71
	Other expenses	28	58.10	76.96
IV	**Total Expenses (IV)**		4,678.34	4,480.60
V	**Profit/(Loss) before exceptional items and tax (I-IV)**		418.29	340.88
VI	Exceptional items		-	-
VII	**Profit/(Loss) before tax (V-VI)**		418.29	340.88
VIII	**Tax expense of continuing operations:**		127.65	178.80
	Current Tax		83.70	68.20
	MAT credit Entitlement		-	-
	Deferred Tax		43.95	110.60
IX	**Profit/(Loss) for the period from continuing operation (VII-VIII)**		290.64	162.08
X	**Profit/(loss) from discontinued operations**			
XI	**Profit/(Loss) for the period (IX-X)**		290.64	162.08
XII	**Earnings per equity share (for discontinued & continuing operations)**			
	Basic		6.53	5.32
	Diluted		6.53	5.32

SINGHI & CO. * Chartered Accountants *

ANNEXURE- III A

SHRI KESHAV CEMENTS & INFRA LIMITED

CIN: L26941KA1993PLC014104

Reg. Office: Jyothi Tower, 215/2, 6th Cross, Nazar Camp, Karbhar Galli, Madhavpur, Vadgaon, Belagavi- 590005 KA

RESTATED STANDALONE STATEMENT OF CASH FLOWS

(Amount Rupees in Lakhs)

	Particulars		IGAAP For the Year ended 31 March 2015	IGAAP For the Year ended 31 March 2014
A	**Cash fow from operating activities**			
	Net Profit / (Loss) from continuing operations before tax from			
	Continuing Operations		418.29	340.88
	Discontinued Operations		-	
	Profit before income tax including discontinued operations		**418.29**	**340.88**
	Adjustments for:			
	Depreciation and amortisation expense		293.51	280.71
	Finance Cost		406.71	457.56
	Changes in operating assets and liabilities :			
	(Increase)/Decrease in trade receivables		(54.66)	37.06
	(Increase) in inventories		202.89	97.45
	Increase/(Decrease) in trade payables		(103.46)	9.97
	Cash generated from operations		**1,163.28**	**1,223.63**
	Taxes paid		-	-
	Net cash inflow (outflow) from operating activities	A	**1,163.28**	**1,223.63**
B	**Cash fow from investing activities**			
	Purchase of Fixed Assets		(126.66)	(330.19)
	Investments		(18.47)	(11.05)
	Loan & Advances		1.45	(75.89)
	Net cash inflow (outflow) from investing activities	B	**(143.67)**	**(417.13)**
C	**Cash fow from financing activities**			
	Proceeds from borrowings		(55.72)	(261.78)
	Increase/Decrease in the unsecured loans		(588.93)	(103.49)
	Less : Interest Paid		(406.71)	(457.56)
	Increase/Decrease in provision		34.92	(49.97)
	Net cash inflow (outflow) from financing activities	C	**(1,016.44)**	**(872.79)**
	Net increase/(decrease) in cash and cash equivalents	A+B+C	**3.18**	**(66.29)**
	Cash and cash equivalents at the beginning of the year		36.87	103.16
	Cash and cash equivalents at the end of the year		**40.05**	**36.87**

SINGHI & CO. Chartered Accountants

ANNEXURE - V A

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICES AND OTHER NOTES TO RESTATED STANDALONE FINANCIAL STATEMENT

A.1 CORPORATE INFORMATION

Shri Keshav Cements and Infra Limited (Formerly Katwa Udyog Limited) ('the Company') is a public limited company domiciled in India and registered under the Companies Act, 1956. The Company was incorporated on March 17, 1993 and is engaged in the business of manufacturing and trading in cements, trading in coal, trading in petroleum products and in the business of generation and distribution of solar energy.

B SIGNIFICANT ACCOUNTING POLICIES

B.1 Basis of Preparation

The Financial statements have been prepared in accordance with the applicable Accounting Standards under the Companies (Accounting Standards) Rules, 2006 and are based on the historical cost convention. The Company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. The Significant Accounting Policies followed are stated below:

B.2 Fixed Assets

Fixed Assets are stated at cost of acquisition/installation less accumulated depreciation and modvat. There are no intangible assets.

B.3 Depreciation

Depreciation on Fixed Assets has been calculated as per Schedule II of Companies Act, 2013.

B.4 Inventories

Items of Inventories are measured at lower of cost or net realizable value. Cost of inventories comprises of all cost of purchases, cost of conversion and other cost incurred in bringing them to their respective present location and condition (net of applicable CENVAT). The coke is valued at average price. The cost of semi finished and finished goods are valued at production cost.

B.5 Investments

There are no investments either long term or short term.

B.6 Revenue Recognition

Sale of goods is recognized at the point of dispatch of finished goods to the customers. Sale of cement is exclusive of sales tax and inclusive of excise duty, sale of coke is exclusive sale tax, sale of diesel & petrol is tax free.

B.7 Excise Duty

Excise duty is paid on finished goods, on clearance of goods from factory premises

B.8 Employee Benefit Expenses:

Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefit likes salary, wages, and production incentives, and are recognized as expenses in the period in which the employee renders the related service.

Post employment benefits:

a) Defined contribution plans

The company has defined contribution plans for post employments benefits in the form of provident fund and ESI for all employees which are administered by the Regional Provident Fund Commissioner. They are classified as defined contribution plans as the company has no further obligation beyond making the contributions. The companies contributions to defined contribution plans are charged to Profit and Loss Account as and when incurred.

b) Funded Plan:

The Company has defined benefit plan for post employment benefit in the form of gratuity, which is administered by Life Insurance Corporation. Liability to the above defined benefit plan is provided on the basis of valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used measuring liability is Projected Unit Credit Method. The actuarial gains and losses arising during the year are recognized in the Profit and Loss Account.

c) The Company has adopted the Accounting Standards (AS-15) on employee benefits, pursuant to which the amount worked out and has been charged to Profit and Loss Account.

B.9 Accounting for Taxes on Income:

The Company has during the year, in order to comply with mandatory Accounting Standards-22 issued by the Institute of Chartered Accountants of India, Deferred tax resulting from "timing differences" 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 asset/ liability is recognized and carried forward only to the extent that there is a reasonable/ virtual certainty that the asset will be realized or liability will be repaid in future.

B.10 Impairment of Assets:

On the aspect of compliance of AS-28 on impairment of assets, the management asserts that its assets have not undergone by impairment. Therefore no provision is called for the impairment of assets.

SINGHI & CO. * Chartered Accountants *

C OTHER NOTES TO ACCOUNTS

C.1 Contingent Liabilities:

Management reports, that there are no Contingent Liabilities.

C.2 Consumption of imported Raw materials and components: NIL

C.3 C.I.F. Values of imports, Expenditures of Earning in Foreign Currency: NIL.

C.4 Segment Reporting:

The Company is engaged in manufacture of ordinary Portland cement accordingly management reports that it is single segment industry. Therefore no other separate statement is made.

C.5 Borrowing Cost:

There are no items of borrowing cost hence nothing is reportable.

C.6 The previous year's figures have been reworked, regrouped, rearranged and re-classified wherever necessary.

C.7 The sundry debtors, sundry creditors and advances are subject to Confirmation and are stated as per books.
In the opinion of the Directors, current assets, loans and advances have the value at which they are stated in the Balance Sheet, if realized in the ordinary course of business.

C.8 The unit is cement-manufacturing unit. During the year Company has manufactured cement. Company was also engaged in coke & Cement trading and petrol pump activities. The various quantity of raw material consumption and other inputs required for production of cement and consumption of electricity and other manufacturing expenses are highly technical in nature therefore; we have totally relied on the statement given by the management.

C.9 The previous year's modvat balance brought forward is Rs. 3,39 Lakhs during the year Company has availed modvat credit of Rs. 102.17 Lakhs comprises of modvat credit on capital goods Rs. 11.61 Lakhs and modvat credit on raw material Rs. 83.55 Lakhs, and on Service Tax Rs. 6.99 Lakhs. The Company has deducted modvat credit and balance is carried forwarded.

SINGHI & CO. * Chartered Accountants *

ANNEXURE - VI A

		As at 31 March 2015		As at 31 March 2014	
2	Equity Share Capital	Units	Amount Rs. In Lakhs	Units	Amount Rs. In Lakhs
2.1	**Authorized:**				
	Equity Shares of Rs 10/- each	6,00,00,000	600.00	6,00,00,000	600.00
2.2	**Issued, Subscribed & Paid up**				
	Equity Shares of Rs 10/- each	51,24,200	512.42	51,24,200	512.42
	Total		**512.42**		**512.42**

2.3 Reconciliation of Shares outstanding as follows:

Particulars	As on 31st March, 2015 No of Shares	As on 31st March, 2014 No of Shares
Equity Shares at the beginning of the year	**51,24,200**	**51,24,200**
Add: Shares issued during the year	-	-
Equity shares at the end of the year	**51,24,200**	**51,24,200**

2.4 The details of share holders holding more than 5% shares

Name of the share holder	As on 31st March, 2015		As on 31st March, 2014	
	No. of shares	% held	No. of shares	% held
Roopa Katwa	2,61,350	5.10%	2,61,350	5.10%
Deepak Katwa	8,04,296	15.70%	8,04,296	15.70%
Vilas Katwa	8,04,190	15.69%	8,04,190	15.69%
Venkatesh Katwa	6,80,350	13.28%	6,80,350	13.28%
Katwa Infotech Ltd	4,61,042	9.00%	4,64,980	9.07%

2.5 Company has only one class of shares referred to as equity shares having par value of Rs.10 each. Each holder of shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

SINGHI & CO. ★ Chartered Accountants ★

ANNEXURE - VIA (Contd..,)

(Amount Rupees in Lakhs)

	As at 31 March 2015	As at 31 March 2014
3 Reserves and Surplus		
3.1 General Reserve		
i. General Reserve	23.25	23.25
Add: Additons during the Year	-	-
Less: Deductions during the Year	-	-
Balance as at the end of the year	**23.25**	**23.25**
ii. Subsidy Reserve	14.94	14.94
Add: Additons during the Year	-	-
Less: Deductions during the Year	-	-
Balance as at the end of the year	**14.94**	**14.94**
iii. Dividend Reserve	5.12	5.12
Add: Additons during the Year	-	-
Less: Deductions during the Year	-	-
Balance as at the end of the year	**5.12**	**5.12**
iv. MAT Credit	236.43	168.23
Add: Additons during the Year	-	68.20
Less: Deductions during the Year	8.08	-
Balance as at the end of the year	**228.35**	**236.43**
v. Short/Excess provision	-8.82	-4.96
3.2 Surplus in Statement of Profit and Loss		
Balance as per the last Financial Statement	632.19	470.11
Profit for the period	290.64	162.08
	922.83	632.19
Less: Appropriations		
Proposed final equity dividend	-	-
Tax on proposed dividend	-	-
Transfer to general reserve	-	-
Total Appropriations	-	-
Net Surplus in the Statement of Profit & Loss	**922.83**	**632.19**
Total	**1,185.68**	**906.98**

SINGHI & CO. Chartered Accountants

ANNEXURE - VIA (Contd..,)

(Amount Rupees in Lakhs)

		As at 31 March 2015	As at 31 March 2014
4	**LONG-TERM BORROWINGS**		
	(A) BONDS/DEBENTURES	-	-
	(B) TERM LOANS FROM BANKS		
	Secured		
	Term loan from Syndicate Bank	260.65	431.46
	(secured by hypothecation of stock of Raw materials, finished goods, semi finished & immovable properties constituting land and factory building at RS No. 346 Kaladagi and RS. No. 15/4/ 88/14/88/2/88/4 + 5+6 /88/3 of naganapur taluka lokapur and plant and machinery installed there in)		
	Term loan from Axis Bank	463.89	348.80
	(secured by mortgage of loader)- Repayble in instalments		
	(C) TERM LOANS FROM OTHERS	-	-
	(D) LOANS AND ADVANCES FROM RELATED PARTIES	-	-
	(E) PUBLIC DEPOSITS (UNSECURED)	-	-
	Total	**724.54**	**780.26**
5	**DEFERRED TAX LIABILITIES (NET)**		
	Deferred Tax Liablities [OB]	518.15	407.55
	Deferred Tax Assets/ Liability	43.95	110.60
	Deferred Tax Liablities (Net)	562.10	518.15

SINGHI & CO. ★ Chartered Accountants ★

ANNEXURE - VIA (Contd..,)

		(Amount Rupees in Lakhs)	
		As at 31 March 2015	As at 31 March 2014
6	SHORT-TERM BORROWINGS		
	(A) LOANS REPAYABLE ON DEMAND		
	Secured		
	Working Capital Loans repayable on demand	1,124.83	1,003.12
	(secured by hypothecation of stock of Raw materials, finished goods, semi finished & immovable properties constituting land and factory building at RS No. 346 Kaladagi and RS. No. 15/4/ 88/14/88/2/88/4 + 5+6 /88/3 of naganapur taluka lokapur and plant and machinery installed there in)		
	Unsecured		
	Syndicate Bank	147.58	736.44
	Karnataka Bank	-	323.65
	Deposits from Dealers	51.09	40.94
	Of the above, an amount have been guaranteed by directors	-	-
	(B) LOANS AND ADVANCES FROM RELATED PARTIES		
	Unsecured		
	Deposits from Directors	1,215.19	883.27
	Deposits from Other than the Directors	87.01	227.20
	(C) PUBLIC DEPOSITS (UNSECURED)	-	-
	Total	**2,625.69**	**3,214.62**
7	OTHER CURRENT LIABILITIES		
	Unpaid Dividend 12-13	0.25	0.25
	TCS On Coal payable	0.64	-
	Sales Tax payable	77.38	47.63
	Total	**78.28**	**47.89**
8	SHORT-TERM PROVISIONS		
	Provision for employee benefits	15.45	9.79
	Provision for Income Tax	83.70	68.20
	Electricity	129.70	106.90
	Bank Interest	-	11.23
	Other Provisions	12.64	10.44
	Total	**241.49**	**206.57**

SINGHI & CO. * Chartered Accountants *

ANNEXURE - VIA (Contd..,)

9 FIXED ASSETS -TANGIBLE

Reconciliation of the gross carrying amounts and net carrying amounts at the beginning and at the end of the year

(Amount Rupees in Lakhs)

Description	Gross Carrying Amount				Accumulated Depreciation				Accumulated Impairment				Net Carrying Amount	
	As at 31 March 2014	Additional adjustment during the year	Deductions during the year	As at 31 March 2015	As at 31 March 2014	Provided during the year	Deductions during the year	As at 31 March 2015	As at 31 March 2014	Reversed during the year	Provided during the year	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015
1. Land														
-Owned	39.00	-	-	39.00	-	-	-	-	-	-	-	-	39.00	39.00
-Leased	-				-	-							-	-
2. Buildings														
-Owned	225.94	-	-	225.94	108.36	4.66	-	113.02	-	-	-	-	117.57	112.92
-Leased	-				-	-							-	-
3. Plant & Equipment														
-Owned	5,869.57	126.66	-	5,996.23	1,696.29	283.51	-	1,979.80	-	-	-	-	4,173.28	4,016.43
-Leased	16.07			16.07	12.65	0.42	-	13.08	-	-	-	-	3.42	2.99
4. Furniture & Fixtures														
-Owned	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-Leased	-				-	-							-	-
5. Vehicles														
-Owned	16.67	-	-	16.67	14.88	0.30	-	15.17	-	-	-	-	1.79	1.50
-Leased	-				-	-							-	-
6. Office Equipments														
-Owned	22.39	-	-	22.39	8.37	4.63	-	13.00	-	-	-	-	14.03	9.40
-Leased					-	-							-	-
Total (A)	**6,189.64**	**126.66**	**-**	**6,316.30**	**1,840.55**	**293.51**	**-**	**2,134.07**	**-**	**-**	**-**	**-**	**4,349.09**	**4,182.23**

SINGHI & CO Chartered Accountants

ANNEXURE - VIA (Contd..,)

(Amount Rupees in Lakhs)

	As at 31 March 2015	As at 31 March 2014
10 LONG-TERM LOANS AND ADVANCES		
(A) Security Deposits		
-Secured , considered good	-	-
-Unsecured, considered good	124.83	126.28
-Doubtful	-	-
Less: Allowance for bad and doubtful advances		
Total (A)	124.83	126.28
GRAND TOTAL	124.83	126.28
11 INVENTORIES		
(a) Raw Materials		
(i) in stock	658.11	802.45
(ii) in transit	-	-
(b)Finished Goods		
(i) in stock	62.02	119.01
(ii) in transit	-	-
(c) Stores and spares		
(i) in stock	371.51	375.14
(ii) in transit	-	-
(d) Packing material		
(i) in stock	4.30	2.23
(ii) in transit		
Total	1,095.94	1,298.83

All the Inventory valuation is as per the policy and certified by the management.

	As at 31 March 2015	As at 31 March 2014
12 TRADE RECEIVABLES		
(A) Trade receivables outstanding for more than six months from the date they became due for payment:		
(i)Secured , considered good	-	-
(ii)Unsecured, considered good	-	-
(iii)Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
(B) Trade Receivables (others)		
(i)Secured , considered good	-	-
(ii)Unsecured, considered good	222.80	168.23
(iii)Doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
TOTAL	222.80	168.23
13 CASH AND CASH EQUIVALENTS		
(A) Balances with Banks		
(I) Earmarked Bank balances		
(II) Bank balances held as margin money or as security against:		
(III) Other bank balances		
(i) Bank deposits with more than 12 months		
(ii) Others	25.40	5.72
(B) Cheques, drafts in hand		
(i) Cheques on hand	-	-
(ii) Drafts in hand	-	-
(C) Cash on hand	14.64	31.15
TOTAL	40.05	36.87

SINGHI & CO. Chartered Accountants

14	OTHER CURRENT ASSETS		
	MAT Credit Entitlement*	228.35	236.43
	Maharastara VAT	0.78	-
	MODVAT Balance:**		
	Central Excise RG23 A	2.64	1.77
	Central Excise RG23 C	0.38	0.78
	Service Tax	0.56	0.84
	PLA Account	0.69	0.18
	Central Excise Capital Goods 50% Receivable	6.83	4.78
	Group Gratuity	14.34	12.38
	Deposit & Others	35.04	35.04
	Advance Income Tax & TDS	15.10	59.20
	TOTAL	**304.73**	**351.41**

* As per the guidance note issued by the Institute of Chartered Accountants of India the Company has worked out MAT credit of Rs. 228.35 Lakhs (PY. 236.43 lakhs) and it is shown under the head Other Current Assets as 'MAT Credit entitlement.

** The previous year's modvat balance brought forward is Rs. 3,39 Lakhs during the year Company has availed modvat credit of Rs. 102.17 Lakhs comprises of modvat credit on capital goods Rs. 11.61 Lakhs and modvat credit on raw material Rs. 83.55 Lakhs, and on Service Tax Rs. 6.99 Lakhs. The Company has deducted modvat credit and balance Rs.3.58 lakhs is carried forwarded.

SINGHI & CO. * Chartered Accountants *

ANNEXURE - VIA (Contd..,)		As at 31 March 2015	As at 31 March 2014
23	OTHER INCOME		
	(A) Income from non-current investments	-	-
	Total (A)		
	(B) Income from current investments	-	-
	Total (B)		
	TOTAL [(A)+(B)]	-	-
24	COST OF MATERIAL CONSUMED		
	Raw material consumed	1,600.10	1,162.67
	Stores, spares, chemicsls and packing materials consumed	347.61	477.38
		1,947.71	1,640.05
25	OTHER MANUFACTURING EXPENSES		
	Power and Fuel consumed	1,360.87	1,225.54
	Repairs- Plant and Machinery	4.69	9.47
	E-permit & Analysis charges	0.18	-
	Frieght	0.05	-
	Total	1,365.79	1,235.01
26	EMPLOYEE BENEFITS EXPENSES		
	Salaries and Wages, bonus, gratuity and allowances	95.62	64.13
	Contribution to PF, ESIC and Superannuation Fund	11.24	7.89
	Total	106.87	72.01
27	FINANCE COSTS		
	Interest Expense	405.40	458.00
	Bank commission	1.31	-0.45
	Total	406.71	457.56
28	OTHER EXPENSES		
	Rent	0.75	0.68
	Insurance	1.19	1.32
	Rates and Taxes other than taxes on income	9.12	11.56
	Audit Fees	0.92	0.58
	Legal, professional and consultancy charges	1.69	0.67
	Security Charges	13.25	11.66
	Director's fees	3.33	3.00
	Postage, Telegram & Printing	0.44	0.31
	Miscellaneous expenses	6.22	25.85
	Tansport charges	21.19	21.33
	TOTAL	58.10	76.96

SINGHI & CO. Chartered Accountants

ANNEXURE - VIA (Contd..,)

Disclosure Required under AS -15 are as follows *(Amount Rupees in Lakhs)*

Sl No	Assumption	31/03/2015	31/03/2014
1	**Assumptions**		
	Discount Rate	8.00%	8.00%
	Salary Escalation	7.00%	7.00%
2	**Table showing changes in present value of obligations**		
	Present value of obligations as at beginning of year	13.29	10.11
	Interest Cost	1.06	0.81
	Current Service Cost	2.17	1.93
	Benefit Paid	0.64	-
	Actuarial Gain/loss on obligations	-0.28	0.45
	Present value of obligations as at end of year	16.88	13.29
3	**Table showing changes in the fair value of plan assets**		
	Fair value of plan assets at beginning of year	12.38	11.60
	Expexted return on plan assets	1.18	0.78
	Contribution	0.78	-
	Benefits paid	-	-
	Actuarial Gain/Loss on plan Assets	-	-
	Fair value of plan assets at end of year	14.34	12.38
4	**Table showing fair value of plan assets**		
	Fair value of plan assets at beginning of year	12.38	11.60
	Actual return on plan assets	1.18	0.78
	Contribution	0.78	-
	Benefits paid	-	-
	Fair value of plan assets at end of year	14.34	12.38
	Funded Status	1.82	-0.91
	Excess of Actual over estimated return on plan assets	-	-
5	**Actual Gain/Loss recognized**		
	Actuarial Gain/loss for the year - obligation	-0.28	-0.45
	Actuarial Gain/loss for the year - plan assets	-	-
	Total Gain/loss for the year	-0.28	0.45
	Actuarial Gain/loss recognized in the year	-0.28	0.45
6	**The amounts to be recognized in the balance sheet and statements of profit/loss**		
	Present value of obligations as at the end of year	16.16	13.29
	Fair value of obligations as at the end of year	14.34	12.38
	Funded Status	1.82	-0.91
	Net Asset /liability recognized in the balance sheet.	1.82	-0.91
7	**Expenses recognized in statement of Profit & Loss**		
	Current Service Cost	2.17	1.93
	Interest Cost	1.06	0.81
	Expected return on plan assets	1.18	-0.78
	Net Actuarial gain/loss recognized in the year	-0.28	0.45
	Expenses recognized in statement of Profit & Loss	2.33	2.40

The above report is not certification under AS-15 revised 2005 read with Actuaries Act, 2006. It is working accounting of employee's liabilities and compliance as per AS-15.

SINGHI & CO. * Chartered Accountants

ANNEXURE- XIA
STATEMENT OF RELATED PARTY TRANSACTION

i	*List of Key Managerial Persons*	Nature of relationship
	a) Mr. Vilas H Katwa	Managing Director
	b) Mr.Deepak H Katwa	Director
	c) Mr.Venkatesh H Katwa	Chairman
	d) Mr.Rajesh Lakkar	Company Secretary

Relative of Key Managerial Personnel
a) Mr. H.D. Katwa
c) N.H. Katwa
c) Y M Katwa HUF
c) P G Katwa HUF

ii *Transactions with Key Managerial Personnel during the period/ year are summarised below:*

Nature of transactions	For the year ended as at 31-Mar-15 Rs. In Lakhs	For the year ended as at 31-Mar-14 Rs. In Lakhs
Salaries and other employee benefits		
Short Term Employee Benefits		
a) Remuneration to Managing Director & Whole Time Director	3.00	3.00
b) Remuneration to other directors		
Fee for attending board or committee meetings	0.45	0.45
c) Remuneration to company secretary	2.40	2.40
Rent paid/Payable		
Key Managerial Personnel	0.60	0.60
Unsecured Loans		
Opening Balance		
a) Key Managerial Personnel	883.38	758.82
b) Relatives of KMP	227.09	176.55
Taken during the year	-	-
a) Key Managerial Personnel	450.40	126.63
b) Relatives of KMP	2.90	44.02
Interest credited		-
a) Key Managerial Personnel	109.78	47.97
b) Relatives of KMP	1.28	11.68
Repaid during the year	-	-
a) Key Managerial Personnel	263.04	50.04
b) Relatives of KMP	109.60	5.16
Closing Balance		-
a) Key Managerial Personnel	**1,180.53**	**883.38**
b) Relatives of KMP	**121.67**	**227.09**

Terms Conditions of Loan:
Company has received short term unsecured loan from directors and their relatives to meet the working capital requirement and the loan is repayable in demand. Interest will be payable at the rate of 9% on the average balance outstanding.

SINGHI & CO. Chartered Accountants

Singhi & Co.
Chartered Accountants

The Board of Directors,
Shri Keshav Cements & Infra Ltd
Jyothi Tower, 215/2, 6th cross
Nazar Camp, Karbar Galli, Madhavpur, Vadgaon
Belagavi-590005 KA

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of M/s Shri Keshav Cements and Infra Limited ("the Company") for the quarter ended 30th June, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors in their meeting held on 10th August 2018, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133, of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these Financial Statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material mis-statement.

For SINGHI & CO.
Chartered Accountants,
ICAI FRN NO. 302049E

Place: Bangalore
Date: 10/08/2018

CA Krishna Chaitanya
Partner
Membership No: 228661

114/1, Sai Complex, 3rd Floor, M.G.Road, Bangalore - 560001, India.
Ph : +91 80 2558 5587, 2558 4859, 4113 9278
E mail : bangalore@singhico.com Web : www.singhico.com

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2018

(Rs.in Lakhs, except per share data)

Particulars	Quarter Ended			Year Ended
	30 June'18 (Unaudited)	31 March'18 (Audited)	30 June'17 (Unaudited)	31 March'18 (Audited)
1. Income from operations				
(a) Net Sales from Operations (Net of excise duty)	1,192.69	1,699.57	2,074.95	5,205.22
(b) Other Operating Income	-	-	-	-
Total income from Operations (net)	1,192.69	1,699.57	2,074.95	5,205.22
2. Expenses				
(a) Cost of Materials consumed	369.59	(548.56)	209.33	978.09
(b) Purchase of stock-in-trade	435.58	1,210.62	657.71	1,654.24
(c) Changes in inventories of finished goods, work-in -progress and stock in trade	(359.91)	22.94	5.37	-43.47
(d) Employee benefits expense	89.34	115.61	90.78	290.12
(e) Depreciation and amortisation expenses	289.31	132.78	184.99	651.57
(f) Power and Fuel	56.98	337.71	438.27	1,054.01
(g) Other expenses	69.87	347.23	285.10	535.44
Total Expenses	950.76	1,618.33	1,871.54	5,120.00
3. Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	241.93	81.24	203.41	85.22
4. Other Income	1.98	8.68	12.10	32.48
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	243.91	89.92	215.51	117.70
6. Finance Costs	451.82	(224.25)	85.83	89.22
7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(207.92)	314.17	129.68	28.48
8. Exceptional Items	-	-	-	-
9.Profit / (Loss) from ordinary activities before tax (7 + 8)	(207.92)	314.17	129.68	28.48
10. Tax expense				
Current Tax	-	8.80	29.95	8.80
Deferred Tax	-	191.49	(116.67)	191.49
11.Net Profit / (Loss) from ordinary activities after tax (9 + 10)	(207.92)	113.88	216.40	(171.81)
12. Extraordinary items	-	-	-	-
13. Net Profit / (Loss) for the period (11 + 12)	(207.92)	113.88	216.40	(171.81)
14. Other Comprehensive Income (OCI)				
Items that will not be reclassified to Profit or Loss	-	(3.60)	-	(3.60)
Income tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-
Total Other Comprehensive Income (Net of Tax)	-	(3.60)	-	(3.60)
Total Comprehensive Income for the period (13+14)	(207.92)	110.28	216.40	(175.41)
15. Paid-up equity share capital (Face Value Rs.10/- each)	512.40	512.40	512.40	512.40
16. Reserve excluding Revaluation Reserves				1,351.15
17.i Earnings Per Share (of 10/- each) (not annualised):				
(a) Basic	(4.06)	2.15	4.22	(3.42)
(b) Diluted	(4.06)	2.15	4.22	(3.42)

For SHRI KESHAV CEMENTS & INFRA LTD.

VILAS KATWA
Managing Director

Note :

1 The figures for the corresponding previous period have been regrouped/ reclassified wherever necessary, to make them comparable.

2. Company is using captively produced solar power for cement manufacturing since April 2018 hence the cost of power and fuel has been reduced singnificantly during the period.

3. Company has completed solar power projects during April 2018 and capitalised all the equipment. Hence the depreciation and amortisation cost during the period has been increased significantly.

4. Const of material consumed for the quarter ended 31 March 2018 is Rs.(548.56) Lakhs due to reclassification of traded items and finance cost is Rs.(224.25) Lakhs due to capitalisation of Borrowing Cost.

5. The Audit Committee has reviewed the above results and the Board of Directors has approved the above results and its release at their respective meetings held on 10th August 2018. The Statutory Auditors of the Company have carried out a Limited Review of the aforesaid results.

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2018

(Rs.in Lakhs)

Particulars	Quarter Ended			Year Ended
	30 June'18 (Unaudited)	31 March'18 (Audited)	30 June'17 (Unaudited)	31 March'18 (Audited)
1. Segment Revenue				
(a) Manufacturing and Trading in Cements (MTC)	903.28	1,272.59	1,493.60	3,497.28
(b) Trading in Coal (TC)	110.70	275.71	358.73	1,102.84
(c) Dealers of Petrol and Diesel (TPD)	178.71	149.73	222.62	598.93
(d) Others	-	1.54	-	6.17
Total	1,192.69	1,699.57	2,074.95	5,205.22
Less: Inter Segment Revenue	-	-	-	-
Total Sales/Income from Operations	**1,192.69**	**1,699.57**	**2,074.95**	**5,205.22**
2. Segment Results				
(a) Manufacturing and Trading in Cements (MTC)	193.56	104.26	154.02	177.26
(b) Trading in Coal (TC)	43.06	23.15	14.42	92.62
(c) Dealers of Petrol and Diesel (TPD)	5.30	3.51	34.97	14.03
(d) Others	0	0.05	-	0.20
Total	241.93	130.98	203.41	284.11
Less: (i) Finance Cost	451.82	(224.25)	85.83	89.14
(ii) Other Un-allocable Expenses	-	49.74	0	198.97
Add: (iii) Other Un-allocable Income	1.98	8.68	12.10	32.48
Total Profit / (Loss) before tax	**(207.92)**	**314.16**	**129.68**	**28.47**
3. Segment Assets				
(a) Manufacturing and Trading in Cements (MTC)	23,028.65	22,554.03	10,011.27	22,554.03
(b) Trading in Coal (TC)	424.68	654.14	589.61	654.14
(c) Dealers of Petrol and Diesel (TPD)	8.48	21.42	74.14	21.42
(d) Others	-	0.95	-	0.95
Total Segment Assets	**23,461.80**	**23,230.54**	**10,675.02**	**23,230.54**
4. Segment Liabilities				
(a) Manufacturing and Trading in Cements (MTC)	23,418.61	23,191.59	10,435.99	23,191.59
(b) Trading in Coal (TC)	43.06	23.42	239.17	23.42
(c) Dealers of Petrol and Diesel (TPD)	0.13	15.53	-0.14	15.53
(d) Others	-	-	-	-
Total Segment Liabilities	**23,461.80**	**23,230.54**	**10,675.02**	**23,230.54**

Note:

As per Indian Accounting Standard 108 'Operating Segments', the Company has reported 'Segment Information', as described below:

1. Manufacturing and Trading in Cements (MTC):
This includes production and sale of cement and also revenue from purchase and sale of cement.

2. Trading in Coal (TC):
This includes purchase and sale of Coal.

3. Trading in Petrol and Diesel (TPD):
This includes sale and purchase of petrol and diesel.

For SHRI KESHAV CEMENTS & INFRA LTD.

VILAS KATWA
Managing Director

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion and analysis of our financial condition and results of operations together with our Restated Financial information for the years ended March 31, 2018, March 31, 2017 and March 31, 2016, all prepared in accordance with the provisions under the Companies Act, 2013 and Ind AS, including the notes and schedules thereto, included in the section titled "Financial Information" on page 133. You should also read the section titled "Risk Factors" on page 14, which discusses a number of factors and contingencies that could impact our financial condition and results of operations, and the section titled "Business Overview" on page 84, which presents important information about our business.

Unless otherwise specified in this section, the following discussion is based on our Restated financial information for the years ended March 31, 2018, March 31, 2017 and March 31, 2016 and in relevant parts, on internally prepared statistical information available to our management and publicly available information.

Our fiscal year ends on March 31 of each year, so all references to a particular "fiscal year" and "Fiscal" are to the twelve (12) month period ended March 31 of that fiscal year. Unless otherwise specified, all amounts in this section are stated on a standalone basis. In this section, any reference to "we", "us" or "our" is to 5paisa Capital Limited.

BUSINESS

Our Company was incorporated on March 17, 1993 as "Katwa Udyog Limited" under the provision of the Companies Act, 1956. The name of the Company was changed to Shri Keshav Cements and Infra Limited and a fresh certificate of incorporation dated November 07, 2007 was obtained. The registered office of our company is situated at Jyoti Towers, 215/2, Karbhar Street, Nazar Camp, Vadgaon, Belgaum- 590 005.
Our Business segment can be divided into following segments:

1) Manufacturing and Trading in Cement;
2) Generation of Electricity using Solar Power; and
3) Trading in Coal and Dealing in Petrol and Diesel.

1. Cement Division

Presently we operate two cement manufacturing units, one operating with Vertical Shaft Klin (VSK) technology having a capacity of 300 TPD located in Kaladgi village, Bagalkot district **("PLANT 1")** and another unit operating with Rotary Klin technology having production capacity of 800 TPD located at Naganapur Village Bagalkot district ("**PLANT 2"**).

2. Solar Power Division

The cement industry is highly energy intensive and power cost constitutes around 30% of the total manufacturing cost. The current power requirement of our cement plants is 12MW. To reduce the power cost at the plant, our company has set up a 20 MW PV based solar plant at Bisarhalli Village, Koppal, Karnataka, India. The said plant was set up at a cost of ₹119.29 crores and was funded by term loan from Syndicate bank to the extent of ₹80.00 crores & balance through promoter's contribution as unsecured loan and Internal sources. The solar power plant has been commissioned since March 31, 2018.

3. Trading in Coal and Dealing in Petrol and Diesel

Our Company has also trading interest in Coal, Petrol and Diesel. The Company operates Petrol and Diesel pump from the factory premise at Plant 2. The petrol & diesel pump was erected by the Company in the year 2010. During the Fiscal of 2018, we generated ₹1,102.84 lakhs as gross receipts from the sale of coal, petrol and diesel.

FACTORS AFFECTING OUR BUSINESS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The business of our Company is subject to various risks and uncertainties those discussed in section titled "*Risk Factors*" on page 14. Our financial condition and results of operations are also affected by various factors of which the following are of particular importance:

Domestic Demand
The demand for cement in a large way is dependent on housing and construction industry and other infrastructure related projects undertaken by the government.

Competition and Prices
The market for cement producers is highly competitive. The competition from domestic cement producers, many of whom are expanding capacities, may lower the market price of cement in future. Our business, prospects, results of operations and financial condition could be adversely affected if our competitors gain significant market share at our expense in markets in which we are focused. Further, any consolidation amongst our competitors could have an impact on the level of competition.

Raw Material, Power and fuel cost
Power costs, together with fuel costs for coal and fuel oil, generally comprise the largest portion of our Company's total expenditures. Cost of raw material primarily coal usually is very volatile. Fluctuations in the prices of fuel oil, coal and power, therefore, have, and will continue to have, a significant direct impact on our results of operations.

Taxation
The Government from time to time implements new policies using economic or administrative means to regulate the cement industry. Examples of such measures include imposing import restrictions Examples of such measures include imposing import restrictions and customs duties on imported cement, granting tax concessions for setting up new manufacturing plants. Such policies related to tax rates and incentives have had a material impact on the cement industry in the past.

Seasonality
Demand for cement is seasonal as climatic conditions, particularly the monsoon, affect the level of activity in the construction industry. As a result, the industry usually experiences a reduction in sales of cement during the quarter ending September 30, and somewhat stronger sales in the quarter ending March 31 when the weather is dry.

Other factors
Besides the five broad factors, as mentioned above and except as otherwise stated in this Draft Letter of Offer, the following factors could cause actual results to differ materially from the expectations:

1. Changes in fiscal, economic or political conditions in India;
2. Company's ability to successfully implement its strategy and its growth and expansion plans;
3. Increase in labour costs, prices of plant and machineries and insurance premium;
4. Changes in the value of the Indian rupee and other currencies;
5. Regulatory changes pertaining to the industry in which our Company operates and its ability to respond to them; and
6. Our Company's ability to obtain financing on favourable terms.

SIGNIFICANT ACCOUNTING POLICIES:

Our significant accounting policies are summarized below. For a full description of our significant accounting policies adopted in the preparation of the Financial Statements, see "*Financial Information*" on page 133.

Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('The Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First-Time Adoption of Indian Accounting Standards. The transaction was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition have been summarized in Note 2.1

Accounting policies have been continuously applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Company’s financial statements are presented in Indian Rupees, which is also its functional currency.

Use of estimates:

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Critical Accounting Estimates:

Income Taxes

The Only Tax jurisdiction for the Company is India. Significant judgements are involved in determining the provision for the income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The Charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values are determined based on the Schedule II of the companies Act 2013 and reviewed periodically, including at each financial year end.

Revenue Recognition

"Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of Material

Material Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales taxes or other indirect taxes on behalf of government and, therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

Interest

Interest revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the entity; and the amount of revenue can be measured reliably. Interest income is included under the head ""other income"" in the statement of profit and loss."

Property, plant and equipment

"Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the Property, plant and equipment to the working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
Subsequent expenditure related to an item of Property, plant and equipment is added to its book value only if it increases the future benefits from the existing Property, plant and equipment beyond its previously assessed standard performance. All other expenses, on the Property, plant and equipment, including day to- day repair and maintenance expenditure and cost of replacing parts (which does not meet the capitalization criteria), are charged to the statement of profit and loss for the period during which such expenses are incurred.
Gains or losses arising from derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the Property, plant and equipment and are recognized in the statement of profit and loss when the Property, plant and equipment is derecognized.
Expenses incurred relating to project, prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress."

Depreciation on Property, plant and equipment is calculated on the straight-line basis using the rates arrived at based on the useful lives estimated by the management which coincides with the life prescribed under the Schedule II to the Companies Act, 2013.

Intangible Assets

Intangible Assets acquired separately are measured on initial recognition at cost and are amortized on the straight line basis over the estimated useful economic life.

"The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized."

Borrowing Costs

"Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use."

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

"All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred."

Financial Instruments

Initial Recognition

The company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent Measurement

Non-derivative Financial instruments

(i) Financial Assets carried at amortised cost A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rises on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

(ii) Financial assets at fair value through other comprehensive income. A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income."

(iii) Financial assets through profit or loss. A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss."

(iv) Financial liabilities Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments."

Share Capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment

Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in profit or loss.

Non Financial Assets

"(i) Intangible assets and property, plant and equipment Intangible assets and Property, Plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimate recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there is a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years."

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Earnings per equity share

"Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (ie. the average market value, of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all the periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors."

Income taxes

"Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for the current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date A deferred income asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. "

Employee Benefits

Gratuity

"The Company provides for gratuity, a defined benefit retirement plan ('The Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to Gratuity plan are determined by actuarial estimate at each Balance sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Gratuity fund of Life Insurance Corporation (LIC) group gratuity plan."

Cash flow Statement

Cash flow are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Other income

Other income is comprised primarily of interest income, and gain/loss on investments and on translation of other assets and liabilities. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalised at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss over the lease term.

Inventories

"Inventories compromise of Raw material, Work in Progress, Finished Goods and Stock of traded goods. Raw material is valued at cost and other materials are valued at lower of cost and net realizable value. Cost is determined on a first in first out basis.Net Realizable value is estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale."

Discussion on Results of Operations for last three Fiscals

Summary of Standalone Revenues, Expenses, and Profitability

The table below sets forth a summary of our standalone financial results containing significant items of our income and expenses for years ended March 31, 2018, March 31, 2017 and March 31, 2016, based on our Financial Statements included in the section titled "*Financial Information*" on page 133.

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017		For the year ended March 31, 2016	
	Amount in ₹ Lakh	% of total revenue	Amount in ₹ Lakh	% of total revenue	Amount in ₹ Lakh	% of total revenue
Revenue from operations	5,205.22	99.38	5,156.93	98.97	5,984.01	99.71
Other income, net	32.48	0.62	53.84	1.03	17.49	0.29
Total Revenue	**5,237.70**	100.00	**5,210.77**	100.00	**6,001.51**	100.00
Cost of Materials Consumed	978.09	18.67	1,281.95	24.60	2,351.11	39.18
Purchase of stock in trade	1,654.24	31.58	688.80	13.22	546.33	9.10
Change in inventories of Finished Goods and Stock in Trade	(43.47)	(0.83)	(0.96)	(0.02)	(17.60)	(0.29)
Other Manufacturing Expenses	1,203.13	22.97	1,012.39	19.43	1,191.98	19.86
Employee benefit expense	290.12	5.54	247.41	4.75	113.48	1.89
Finance Costs	89.22	1.70	316.75	6.08	330.20	5.50
Investment Allowance	-	-	520.52	9.99	-	-
Depreciation and amortisation expenses	651.57	12.44	438.58	8.42	(224.86)	(3.75)
Other expenses	386.32	7.38	395.92	7.60	535.41	8.92
Total Expenses	**5,209.23**	**99.46**	**4,901.37**	**94.06**	**4,826.05**	**80.41**
Profit before Tax	**28.47**	**0.54**	**309.40**	**5.94**	**1,175.46**	**19.59**
Current Tax	**(8.80)**	**(0.17)**	**(13.04)**	**(0.25)**	**(192.00)**	**(3.20)**
Deferred Tax	(191.49)	(3.66)	(120.10)	(2.30)	(114.58)	(1.91)
Profit after Tax	**(171.82)**	(3.28)	**176.27**	3.38	**868.88**	**14.48**

Description of Income and Expenses Items

Total revenue

Revenue from operations:

Our revenue from operations comprises of sale of: (a) Cement; (b) Clinker; (c) Coal; (d) Petrol & Diesel; and (d) Fly Ash

Other Income:

Our Other Income includes interest coming from security deposit kept with the DISCOMs, discount received from vendors, etc.

Total expenses:

Our total expenses comprise the following:

a. *Cost of material consumed*: Lime stone is our major raw material. Apart from lime stone manufacturing of cement requires sand, shale, clay and iron ore.

b. *Other Manufacturing Expenses*: Other Manufacturing Expenses majorly includes expenses towards Power, Fuel and Repairs of Plant & Machinery.

c. *Employee benefits expenses*: Employee benefits expenses includes (i) salaries, wages and bonuses, (ii) Directors remuneration, (iii) Gratuity, and (iv) Statutory remittances payable to employees.

d. *Finance cost*: Financial costs includes expenditure incurred by the company on the financial activities, like the interests paid on its borrowings from banks and other sources. *Depreciation and amortization expense*: Depreciation and amortization expense consist of depreciation on fixed assets including Land, Buildings, furniture and fixtures and office equipment.

e. *Other expenses*: Other expenses were primarily attributable to Excise Duty, Security charges, Transport charges and other miscellaneous expenses.

Results of operations for Fiscal 2018 compared with Fiscal 2017

Total revenue

Revenue from operations

During the Fiscal 2018, the total income of our Company was ₹5,205.22 lakh as compared to ₹ 5,156.93 lakh in Fiscal 2017.

A brief analysis of the movement in numbers from Fiscal 2017 to Fiscal 2018 are as follows:

a. Income from sale of cement decreased by 19.41% to ₹3,497.28 lakh in Fiscal 2018 from ₹ 4,339.34 lakh in Fiscal 2017 mainly due to reduction in realisation of price of Cement and lower production in fiscal 2018.

b. Income from sale of coal increased substantially by 541.78% to ₹1,102.84 lakh in Fiscal 2018 from ₹171.84 lakh in Fiscal 2017.

c. Income from sale of Petrol & Diesel decreased by 5.35 % to ₹598.93 lakh in Fiscal 2018 from ₹ 632.79 lakh in Fiscal 2017.

Other Income

The other income of the company decreased by 39.67% to ₹32.48 lakh in Fiscal 2018 from ₹ 53.84 lakh in Fiscal 2017. The decrease was primiarily due to higher scrape sale figure in Fiscal 2017 than in Fiscal 2018.

Total expenditure

Our total expenditure increased by 6.28% to ₹ 5,209.23 lakh in Fiscal 2018 from ₹ 4,901.37 lakh in Fiscal 2017.

a. *Cost of material consumed* : Cost of material consumed decreased by 23.70% to ₹ 978.09 lakh in Fiscal 2018 from ₹ 1,281.95 lakh in Fiscal 2017 on account of lower production levels due to reduced demand for cement in Fiscal 2018.

b. *Purchase of stock in trade* : Purchase of stock in trade increased by 140.16% to ₹ 1,654.24 lakh in Fiscal 2018 from ₹ 688.8 lakh in Fiscal 2017. The stock of clinker purchased increased due to the ongoing in the company.

c. *Other Manufacturing Expenses* : Other Manufacturing expense increased by 18.84% to ₹1,203.13 lakh in Fiscal 2018 from ₹ 1,012.39 lakh in Fiscal 2017 on account of increased expenses towards power and fuel consumption.

d. *Employee benefits expenses*: Employee benefits expense increased by 17.26% to ₹290.12 lakh in Fiscal 2018 from ₹ 247.41 lakh in Fiscal 2017 on account of increase in salaries in Fiscal 2018.

e. *Other expenses*: Other expenses decreased by 2.42% to ₹ 386.32 lakh in Fiscal 2018 from ₹ 395.92 lakh in Fiscal 2017 primarily due to the general reduction in production.

EBITDA

As a result of the foregoing, our EBITDA decreased by 27.75% to ₹769.26 lakh in Fiscal 2018 from ₹1,064.73 lakh in Fiscal 2017.

Finance charges

For the proposed expansion the company has borrowed funds from banks. The borrowings of the company as at March 31, 2018 stood at ₹ 16,224.54 Lakh as aginst ₹ 6,344.97 Lakh as at March 31, 2017. There has been a decrease in the interest expense from ₹ 316.75 Lakh to ₹ 89.22 Lakh due to the fact that the said interest expense during Fiscal 2018 are net of capitalized interest of ₹ 870.21 Lakh.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 48.56% to ₹651.57 lakh in Fiscal 2018 from ₹438.58 lakh in Fiscal 2017 on account of addition to fixed assets like Buildings and Plant & Machinery.

Profit/ (loss) before tax

The company declared profit before tax of ₹28.47 lakh in Fiscal 2018, 90.80% less than the profit before tax of ₹ 309.40 lakh declared in Fiscal 2017. The decrease in profit before tax is on account of increase in expenses due to on going expansion coupled with reduction in net realization of cement prices.

Profit/ (loss) for the year (after tax)

Our company suffered a loss after tax of ₹(171.82) lakh in Fiscal 2018 as against a profit of ₹ (176.26) lakh in Fiscal 2017.

Results of operations for Fiscal 2017 compared with Fiscal 2016

Total revenue

Revenue from operations

During the Fiscal 2017, the total income of our Company was ₹ 5,156.93 lakh as compared to ₹ 5,984.01 lakh in Fiscal 2016.

A brief analysis of the movement in numbers from Fiscal 2017 to Fiscal 2016 are as follows:

a. Income from sale of cement decreased by 7.17% to ₹4,339.34 lakh in Fiscal 2017 from ₹ 4,673.18 lakh in Fiscal 2016 due to fluactuation in cement prices.

b. Income from sale of coal decreased by 77.20% to ₹171.84 lakh in Fiscal 2017 from ₹ 753.60 lakh in Fiscal 2016.

c. Income from sale of Petrol & Diesel increased by 16.80% to ₹632.79 lakh in Fiscal 2017 from ₹ 541.79 lakh in Fiscal 2016.

Other Income

The other income of the company increased by 207.83% to ₹53.84 lakh in Fiscal 2017 from ₹ 17.49 lakh in Fiscal 2016. The increase was primiarily due the increase in scrap scale.

Total expenditure

Our total expenditure increased by 1.56% to ₹ 4901.37 lakh in Fiscal 2017 from ₹ 4826.05 lakh in Fiscal 2016.

a. *Cost of material consumed* : Cost of material consumed decreased by 45.47% to ₹ 1,281.95 lakh in Fiscal 2017 from ₹ 2,351.11 lakh in Fiscal 2016 on account of reduction of coal price as well as consumption of coal per unit of cement.

b. *Purchase of stock in trade* : Purchase of stock in trade increased by 26.08% to ₹ 688.8 lakh in Fiscal 2017 from ₹ 546.33 lakh in Fiscal 2016 due to price fluctuations.

f. *Other Manufacturing Expenses* : Other Manufacturing expense decreased by 15.07% to ₹1,012.39 lakh in Fiscal 2017 from ₹ 1,191.98 lakh in Fiscal 2016 on account of general stabilization of plant operations.

c. *Employee benefits expenses*: Employee benefits expense increased by 118.02% to ₹247.41 lakh in Fiscal 2017 from ₹ 113.48 lakh in Fiscal 2016 due to increase in the number of employees and also increase in salaries and wages.

g. *Other expenses*: Other expenses decreased by 26.05% to ₹ 395.92 lakh in Fiscal 2017 from ₹ 535.41 lakh in Fiscal 2016 primarily due to general stabilization of plant operations.

EBITDA

As a result of the foregoing, our EBITDA decreased by 16.87% to ₹1,064.73 lakh in Fiscal 2017 from ₹1,280.79 lakh in Fiscal 2016.

Finance charges

Finance charges consisted of interest on term loans secured from banks, interest on short-term borrowings like Bank Overdraft facility and unsecured loans from directors and other related parties. Finance charges decreased by 4.07% to ₹ 316.75 lakh in Fiscal 2017 from ₹ 330.20 lakh in Fiscal 2016 on account of regular repayment of borrowings.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 295.05% to ₹438.58 lakh in Fiscal 2017 from ₹(224.86) lakh in Fiscal 2016 on account of addition to fixed assets like Buildings and Plant & Machinery.

Profit/ (loss) before tax

The company declared profit before tax of ₹309.40 lakh in Fiscal 2017, 73.68% less than the profit before tax of ₹ 1,175.46 lakh declared in Fiscal 2016. The decrease in profit before tax is on account of increased employee benefit expenses and decrease in sales and net realization of cement prices.

Profit/ (loss) for the year (after tax)

Our profit for the year after tax decreased by 79.71% to ₹ 176.26 lakh in Fiscal 2017 from ₹868.88 lakh in Fiscal 2016.

Other Matters:

Unusual or infrequent events or transactions

There have been no unusual or infrequent events or transactions.

Significant economic/ regulatory changes

Government polices governing the sector including taxation and FDI have major bearing on the companies involved in construction and in infrastructure sector. Any major changes in policies of the Government affecting economic growth would have an impact on the profitability of our Company. For more details, see "*Risk Factors*" on page 14.

Known trends or uncertainties

Some of the raw materials which are imported have shown a volatile trend in the last 3 to 5 years. The cyclical movement in the prices of these materials seem to be on account of the changes in the demand supply position. As a sequel to the volatility in the price of raw materials, the end product prices tend to move up or come down in the same direction if not in the same proportion.

Future relationship between costs and revenues

There are no known factors affecting the future relationship between expenditure and income that will have a material adverse impact on the operations and finances of our Company.

New product or business segment

Solar power unit of 20MW capacity was set up at Koppal district in Fiscal 2018 and company expects additional revenue from sale of power in coming years. For more details of new products or business segments, see "*Business Overview*" on page 84.

Seasonality of business

The sale of cement is adversely affected by difficult working climatic conditions during monsoon which restrict construction activities. Accordingly, revenues recorded in the first half of a FY between April and September are traditionally lower compared to revenues recorded during the second half of the FY. During periods of curtailed construction activity due to adverse weather conditions, the Company may continue to incur operating expenses, but the revenues from sale of the products may be delayed or reduced.

Significant dependence on a single or few suppliers or customers

Our operations are not significantly dependent on a single or fewer suppliers or customers.

Competitive Conditions

We operate in a competitive environment. Please refer to the sections "*Business Overview*" and "*Risk Factors*" on pages 84 and 14 respectively, for discussions regarding competition.

Related party transactions

For details, see "*Financial Indformation*" on page 133.

Significant Developments after March 31, 2018

To our knowledge and belief, no circumstances other than as those disclosed in this Draft Letter of Offer have arisen since the date of the last financial statements contained in this Draft Letter of Offer which materially affect or are likely to affect, the trading and profitability of our Company, or the value of our assets or our ability to pay material liabilities within the next 12 months.

MARKET PRICE INFORMATION

Our Company's Equity Shares are listed and actively traded on BSE from August 11, 1995.

- Year is a fiscal year;
- Average price is the average of the daily closing prices of the Equity Shares, for the year, or the month, as the case may be;
- High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, for the year, or the month, as the case may be; and
- In case of two days with the same high/low/closing price, the date with higher volume has been considered

Stock Market Data of the Equity Shares

The high, low and average market prices of the Equity Shares recorded on BSE during the preceding three years and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

BSE

Fiscal Year	Date of High	High (₹)	Volume on Date of High (No. of Shares)	Date of Low	Low (₹)	Volume on Date of low (No. of Shares)	Average (₹)
2018	November 01, 2017	272.40	41610	October 10, 2017	142.00	15515	181.44
2017	February 23, 2017	183.00	5431	November 22, 2016	62.50	1172	96.89
2016	August 07, 2015	104.10	20146	April 08, 2015	19.70	1554	62.60

Source: www.bseindia.com

Prices for the last six months

The total number of days of trading during the past six months from 31, March 1, 2018 to August 2018 is 125. The average volume of Equity Shares traded in BSE was 939 Equity Shares per day.

The high and low prices and volume of Equity Shares traded on the respective dates on the BSE during the last six months is as follows:

BSE

Month	Date	High (₹)	Volume (No. of Shares)	Date	Low (₹)	Volume (No. of Shares)	Volume of trade on monthly basis
August, 2018	August 02, 2018	124.95	142	August 30, 2018	82.50	256	19212
July, 2018	July 30, 2018	125.00	130	July 25, 2018	100.15	210	6668
June, 2018	June 07, 2018	132.50	306	June 06, 2018	101.05	976	23089
May, 2018	May 02, 2018	148.25	597	May 17, 2018	111.45	323	25701
April, 2018	April 06, 2018	174.75	571	April 30, 2018	132.05	121	15908
March, 2018	March 01, 2018	169.05	1681	March 27, 2018	148.05	756	26841

Source: www.bseindia.com

The Board of our Company has approved the Issue at their meeting held on September 21, 2017 and the object of the issue was modified by the Board at its meeting held on July 11, 2018. The high and low prices of our Company's shares as quoted on the BSE on September 22, 2017, the day on which the trading happened immediately following the date of the Board meeting is as follows:

Date	Volume (No of equity Shares)	High (₹)	Low (₹)
BSE			
September 22, 2017	381	189.45	184.00

Source: www.bseindia.com

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of business for the purposes of meeting its working capital requirements, amongst other things. As on March 31, 2018, the aggregate outstanding borrowings of our Company are as follows:

<table>
<tr><th>Category of borrowing</th><th>Sanctioned amount (₹in lakhs)</th><th>Outstanding amount (₹in lakhs)</th><th>Rate of interest (as per the Sanction Letters)</th><th>Security</th></tr>
<tr><td colspan="5">Syndicate Bank</td></tr>
<tr><td>Working capital limit</td><td>2,670.00</td><td>2,125.31</td><td>11.85%</td><td rowspan="3">Primary Security

Hypothecation of raw materials, WIP, Stock in trade and assignment of receivable of plant I & II

First charge on mortgage /hypothetication of the proposed cement plant expansion at plant II

First charge on mortgage /hypothetication of entire block of fixed assets of the company including land at plant II and entire cement manufacturing unit

First charge on proposed additional civil construction & equipment</td></tr>
<tr><td>Term Loan
(For meeting addional construction and installation of equipment cost at Plant I & II)</td><td>767.00</td><td rowspan="2">3,255.32</td><td>12.10%</td></tr>
<tr><td>Term Loan
(For enhancing capacity at plant II)</td><td>3,373.00</td><td>13.20%</td></tr>
<tr><td>Term Loan
(For setting up 20MW captive solar power plant at Kopal)</td><td>8,000.00</td><td>6,072.15</td><td>10.85%</td><td>First charge on the land at which the solar project is situated

Personal guarantee of the owners of the said land

Hypothetication of proposed 20 MW AC supply unit</td></tr>
<tr><td colspan="5">Saraswat Bank</td></tr>
<tr><td>Term Loan
(under Kwik LAP scheme)</td><td>500.00</td><td>393.45</td><td>14.25%</td><td>Registered Equitable Mortgage charge on all piece and parcel of property comprising land with building, bearing plot no. 2 out of sy no. 215/2 situated at 6th cross, Nazar camp, Madhavpur, Vadgaon, Belgaum</td></tr>
<tr><td>Total</td><td>15,310.00</td><td>11,846.23</td><td></td><td></td></tr>
</table>

Apart from the above mentioned loans, the company also has in its book car loans for Bolero and Innova wherein the outstanding amount payable as on March 31, 2018 is ₹21.24 lakhs

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

The details of the outstanding litigation or proceedings involving our Company, its Promoters, its Group Companies and its Directors are described in this section in the manners as detailed below.

Except as disclosed below, there are no. (i)outstanding or pending litigation, suit, criminal or civil prosecution, proceeding initiated for offence (irrespective of whether specified in paragraph (I) of Part I of Schedule XIII of the Companies Act) or litigation for tax liabilities against our Company, our Directors or our Promoters or companies promoted by our Promoters and there are no defaults to banks/financial institutions, non-payment of or overdue statutory dues, or dues towards holders of any debentures, bonds and fixed deposits and arrears of preference shares, other unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Promoters or Directors. Further, except as stated in this Draft Letter of Offers, there are no past cases in which penalties have been imposed on our Company or our Promoters, Directors or companies promoted by the Promoters by concerned authorities, and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company.

Our Board has approved that given the nature and extent of operations of our Company, the outstanding litigation involving our Company which exceeds an amount which is higher of 10 % of the total turnover (gross premium and other income) or 10 % of its networth as per the last audited financial statements of our Company, i.e., as of and for Fiscal 2018 would be considered material for our Company. The total turnover and the profit after tax of our Company as of and for the last audited Fiscal i.e. Fiscal 2018, is ₹ 5,237.70 lakhs and ₹ (171.82) *Lakhs, respectively.*

Neither our Company nor its Promoters, members of the Promoter Group, Subsidiary, associates and Directors have been declared as willful defaulters by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.

PART I – CONTINGENT LIABILITIES OF OUR COMPANY

NIL

PART II – LITIGATION RELATING TO OUR COMPANY

A. Cases filed against our Company:

1. **Litigation involving Civil Laws**
   NIL

2. **Litigation involving Criminal Laws**
   NIL

3. **Litigation involving Securities and Economic Laws**
   NIL

4. **Litigation involving Labor Laws**
   NIL

5. **Litigation involving Taxation**
   NIL

6. **Notices from StatutoryAuthorities**

Karnataka State Pollution Control Board ("KSPCB") issued an notice bearing no. PCB/CFO-1/Cement

Units/2017-18/226 dated June 09, 2017 under section 31(A) of the Air (Prevention and Control of Pollution) Act 1981 and read with Rule 20A of Karnataka Air (Prevention and Control of Pollution) Rules 1983 dated June 09, 2017

The present show cause notice had been issued against Our Company, as per the order of Hon’ble National Green Tribunal, Principal Bench, New Delhi regard to application 421 of 2016 and order passed on May 16, 2017 (**SCN**”). Vide the present SCN, KSPCB had *inter alia* proposed following directions:

a. directed us to stop operation of our plants (more specifically Plant 1) forthwith and until further orders,

b. withdraw the consent issued to us as per the provision of Air Act, 1981;

c. Deputy Commissioner of Bagalkot to initiate action to seize the Company;

d. The MD of GESCOM Bagalkot to issue necessary directions to relevant authority for withdrawal/disconnection of power to the industry forthwith and until further orders

And in case any response is not received from our side to the SCN as to why the Board should not initiate action as proposed in the SCN. Subsequently, we vide a letter dated June 15, 2017 filed our response to the SCN and specifically pleaded the proposed direction not to be implemented against us. Further, we brought to the notice of the relevant authority as to how the process used by us does not adversely effect the persons working in the factory. It is stated that, subsequent to our response we are yet to receive any further order/directions from the relevant authority and Our Plant 1 is presently running.

B. Cases filed by Our Company:

1. Litigation involving CivilLaws

M/S Katwa Udyog Ltd Vs. Union Of India & Ors. (Writ Petition No. 16021 of 2016 in the Supreme Court of India)

The Company has filed the Special Leave Petition 16021 of 2016 before the Hon’ble Supreme Court of India, against the Judgment dated 31.03.2016 passed by the Hon’ble High Court of Karnataka at Bengaluru. In the judgmentthe Hon’ble High Court upheld the Order of the Central Mines Tribunal in Revision Petition No. 13-7-2008/RCI and upheld the Mining Lease in favour of father (deceased) of Atul B. Shah, who was director of M/s Shree Quality Cement and rejected the claim of the Company of acquiring the Mining Lease pursuant to acquire of the M/s Shree Quality Cements. The matter is pending before the Hon’ble Supreme Court of India. The next date in the matter is on November 19, 2018.

2. Litigation involving CompanyLaws
NIL

3. Litigation involving CriminalLaws
NIL

4. Litigation involving LaborLaws
NIL

5. Litigation involving Taxation

The Sale Tax officer Kolhapur, Maharashtra has raised a demand related to FY 2012-13 amounting to ₹ 34.95 Lakhs (Incl interest and penalty), however the company has filed an appeal against the order before the Dy. Commissioner of Sales Tax. by depositing 10% of the disputed MVAT amount of ₹ 1.75 Lakhs and the management is of the view that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

PART III – LITIGATIONS RELATING TO THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY

A. Cases filed against theDirectors:

1. Litigation involving Civil / StatutoryLaws

a) ***Smt. Neelakant kambar Vs. Deepak Katwa and others (MFA 21934/2013) In the High Court of Karnataka, Circuit Bench, at Dharwad***

The Appellants are wife and children of the deceased. The deceased died because of the accident which took place with a vehicle owned by the Respondents. Subsequently, the MACT had awarded ₹2.68 Lakhs as compensations to the Appellants vide an order dated January 08, 2013. Subsequently, the Appellants approached the Hon'ble High Court Karnataka, for the revision of the compensation amount to ₹8.20 Lakhs. Presently, the matter is pending before, High Court of Karnataka. The last date in the matter is April 17, 2018, the next date is yet to be intimated to the Respondent

b) ***Mrs. Kamalaxi Kambar Vs. Deepak Katwa &Ors. (MFA 21935/2013) In the High Court of Karnataka, Circuit Bench, at Dharwad***

The Appellant met with an accident which took place with a vehicle owned by the Respondents. Subsequently, the MACT had awarded ₹1.06 Lakhs as compensations to the applicant vide an order dated January 08, 2013. Subsequently, the Applicants approached the Hon'ble High Court Karnataka, for the revision of the compensation amount to ₹6.30 Lakhs. Presently, the matter is pending before, High Court of Karnataka. The last date in the matter is April 17, 2018, the next date is yet to be intimated to the Respondent.

2. Litigation involving Criminal Laws
NIL

3. Litigation involving Economic Offenses
NIL

4. Litigation involving Tax Liabilities
NIL

B. Cases filed by the Directors:

1. Litigation involving Civil/ Statutory Laws

Venkatesh katwa V/s Rajiva Shetty. Ors OS 200/2016 in the Court of Principal Senior Civil Judge, Belgavi

Our Chairman Shri Venkatesh Hanamantsa Katwa, hasfiled a civil suit against the Respondent for a recovery of ₹22,14,000 along with an interest if any. The Petitioner along with other shareholders of Katwa Finlease Ltd. and the Respondent had entered into an agreement dated April 15, 2014 for the transfer of 100% shares in Katwa Finlease Ltd. Subsequently, the Respondent failed / neglatected in carrying out their obligations with regard to the said agreement and as on date ₹22,14,000, is yet to be recovered from the Respondent and accordingly the present lis has been initiated by the Petitioner. The next date in the matter is October 11, 2018.

2. **Litigation involving Criminal Laws**
   NIL

3. **Litigation involving Economic Offenses**
   NIL

4. **Litigation involving Tax Liabilities**
   NIL

PART IV – LITIGATIONS RELATING TO OUR PROMOTER AND PROMOTER GROUP ENTITIES

A. Cases filed against the Promoter and Promoter Group entities:

1. **Litigation involving Civil Laws**

   a) ***Laxman Naik Vs. Prajakta Katwa& Ors.*** **(MFA 22305/2013)** in the High Court of Karnataka, Circuit Bench, at Dharwad

   The Appellant was constable, and was working as police department of govt. of Karnataka. On January 28, 2007 at about 11.15hrs, the Appellant meet with an accident with a truck, owned by the Respondent. The Appellant suffered/sustained multiple injuries and amputation of both of his legs, according Ld. MACT vide an award dated September 29, 2012 awarded ₹8.38 lakhs as a compensation and an interest of 9%. The Appellant claimed a compensation of ₹50.00 Lakhs before the MACT. Presently, the matter is pending before, High Court of Karnataka. The last date in the matter is July 03, 2018, the next date is yet to be intimated to the Respondent

2. **Litigation involving Criminal Laws**
   NIL

3. **Litigation involving Economic Offenses**
   NIL

4. **Notices from Statutory Authorities**
   NIL

5. **Litigation involving Tax Liabilities**
   NIL

B. Cases filed by the Promoter and Promoter Group entities:

1. **Litigation involving Civil Laws**
   NIL

2. **Litigation involving Criminal Laws**
   NIL

3. **Litigation involving Securities and Economic Laws**
   NIL

4. **Litigation involving Labor Laws**
   NIL

5. **Litigation involving Taxation**
   NIL

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying out our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft letter of offer and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. For further details in connection with the applicable regulatory and legal framework, see chapter titled “Key Industry Regulations and Policies” on page 95 of this Draft letter of offer.

The object clause of the Memorandum of Association enables Our Company to undertake its present business activities. The approvals required to be obtained by Our Company include the following:

The Company has its business located at:

Registered Office: The registered address of Our Company has been change form 125 Khade Bazaar, Shahapur, Belgaum to Jyoti Tower, 215/2, 6th Cross Nazar Camp, Karbhar Galli, Madhavpur Vadgaon, Belagavi, Karnataka - 590 005 in year 1999-2000.

Factory Address:

Plant No. 1 Location	346,69/1&2, Kaldagi Village, Tq. Bagalkot, Dt. Bagalkot	**Installed capacity**	300 Ton Per Day	**Capacity Utilization**	88%
Plant No. 2 location	15/4,88/1a,88/1b,88/2,88/3,88/ +4+5+6, Naganapur Village, Tq. Mudhol, Dt. Bagalkot	**Installed Capacity**	800 Tons Per Day		

Solar Power Plant Address:

Plant Location	Shri Krisha Solar Power, Survey No. 241, Village Biserahalli, Taluka	**Capacity**	20 MW per day Average monthly Production is 28 Lakh units per month	**Land utilize**	95 acres

1. APPROVALS FOR THE ISSUE

Corporate Approvals:

Our Board of Directors has, pursuant to a resolution passed at its meeting held on September 21, 2017, authorized the Right Issue of equity shares to the existing shareholders. Further, Our Board of Directors has, pursuant to a resolution passed at its meeting held on July 11, 2018, amended the object of the Right Issue.

In-Principle approval from the Stock Exchange

Our Company has obtained in-principle approval dated [●] from the BSE Limited.

International Securities Identification Number with CDSL and NSDL

Our Company's International Securities Identification Number (“ISIN”) is INE260E01014.

2. INCORPORATION AND OTHER DETAILS

The Certificate of Incorporation dated March 17, 1993 issued by the Registrar of Companies, Karnataka, in the name of "KATWA UDYOG LIMITED".

The Certificate of Commencement of business dated July 19, 1993

Fresh Certificate of Incorporation consequent upon Change of Name from KATWA UDYOG LIMITED to SHRI KESHAV CEMENTS AND INFRA LIMITED issued on November 07, 2007 by the Registrar of Companies, Bangalore, Karnataka.

Fresh Certificate of Change of Registered office of the Company dated upon the Registered office change from 125, Khade Bazar, Shahapur, Belguamto Jyoti Tower, 215/2, 6th Cross Nazar Camp, Karbhar Galli, Madhavpur Vadgaon, Belagavi, Karnataka - 590 005.

The Corporate Identification Number (CIN) of the Company is L26941KA1993PLC014104.

3. APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

I. FACTORY SITUATED AT 15/4,88/1A,88/1B,88/2,88/3,88/+4+5+6, NAGANAPUR VILLAGE, TQ. MUDHOL, DT. BAGALKOT

Description	Reference No.	Date of Issue / Renewal	Expiry Date	Issuing Authority
License to work a factory	MY/DWR-1653	January 01, 2018	December 31, 2018	Department of factories and Boilers, Bangalore, Karnataka
Environmental clearance for expansion of cement plant, clinker, limestone mining and setting up of a coal based power plant	SEIAA:12:IND:2007	January 10, 2013	NA	Department of Ecology and Environment, Bangalore, Karnataka
Combined Consent order under Air and Water Act*	AW-301503	June 28, 2016	June 27, 2021	Karnataka State Pollution Control Board
Certification marks license for 43 Grade Ordinary Portland Cement	CM/L-6894808	January 01, 2018	December 31, 2018	Bureau of India Standard (BIS)
Registration Certificate of Establishment under Karnataka Shops and Establishments Act, 1961	BE3/4/S/16935/2002	2017	2021	Labour Department, Belgavi
Authorization for handling Hazardous waste handling under Rule 5(4) of Hazardous Waste (Management, Handling and Trans-boundary Movement) Rules 2008	KSPCB/RO (BGK)/HWM/Reg.No. 92713/2015-16/1271	July 01, 2015	June 30, 2020	Regional Office Karnataka State Pollution Control Board

***** *Govt. of Karnataka vide a communiqué dated January 10, 2013 granted approval to the Company for expansion of its Cement production capacity to 200 TPD to 2300 TPD. The approval was granted based on certain terms and conditions which were captured in the said letter.*

II. FACTORY SITUATED AT 346,69/1&2, KALDAGI VILLAGE, TQ. BAGALKOT, DT. BAGALKOT

Description	Reference No.	Date of Issue / Renewal	Expiry Date	Issuing Authority
License to work a factory	MY/BJR-681	January 01, 2017	December 31, 2019	Department of factories and Boilers, Bangalore, Karnataka
Combined Consent order for discharge of effluents and emissions	AW-301556	December 02, 2016	June 27, 2021	Karnataka State Pollution Control Board
Certification marks license for 43 Grade Ordinary Portland Cement	CM/L-6031546	November 29, 2017	August, 13, 2018	Bureau of India Standard (BIS)
Authorization for handling Hazardous waste handling under Rule 5(4) of Hazardous Waste (Management, Handling and Trans-boundary Movement) Rules 2008	KSPCB/RO(BGK)/HWM/ Reg.No. 92711/2015-16/1268	July 01, 2015	June 30, 2020*	Regional Office Karnataka State Pollution Control Board

*****we have applied for renewal of the license which we are yet to receive

III. SOLAR ENERGY RELATED APPROVALS

Sr. No	Description	Reference No.	Capacity of power plant	Issuing Authority	Date of issuing	Remarks
1	Government Order	EN381NCE2016	20 MW	Karnataka Government	February, 02 .2017	NOC
2	Government Order	EN348NCE2018	20 MW	Karnataka Government	12.09.2018	Allowing them to sell the excess electricity to third party

IV. APPROVALS TO OPERATE PETROLEUM CLASS A&B RETAIL OUTLET/ SERVICE STATION AND FOR TRADING IN PET COKE

Description	Reference No.	Date of Issue	Expiry Date	Issuing Authority
License to operate Petroleum Class A&B Retail Outlet/ Service station at on Bijlapur to Dharwad road sh 65, 83/3, 4, 5 Nagnapur, Bagal	P/SC/KA/14/3864 (P241578)	July 20, 2010	December 31, 2012#	Government of India, Ministry of Commerce and Industry

#The License has been expired

4. TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Certificate of Provisional Registration (Under Form GST Reg-25)	Government of India and Government of Karnataka	29AAACK8074H1Z8	June 26, 2017	Perpetual
2.	Certificate of Provisional Registration (Under Form GST Reg-25)	Government of India and Government of Maharashtra	27AAACK8074H1ZC	June 28, 2017	Perpetual
3.	Certificate of Provisional Registration (Under Form GST Reg-25)	Government of India and Government of Goa	30AAACK8074H1ZP	June 26, 2017	Perpetual
4.	Certification of Importer-Exporter Code (IEC)	Office of DY. Director General of Foreign Trade, Department of Commerce, Ministry of Commerce &Industry, Government of India	AAACK8074H	November 20 , 2017	Perpetual
5.	Permanent Account Number (PAN)	Income Tax Department, Government of India.	AAACK8074H	March 23,1999	Perpetual
6.	TAN	Allotted by Income Tax Department	BLRK01935D	-	Perpetual

5. LABOUR RELATEDAPPROVALS/REGISTRATIONS

The Company has obtained the following approvals related to Labor/employment related registrations:

Sr. No.	Details of Registration/ Certificate	Issuing Authority	Registration No./Reference No./License No./	Date of Issue
1.	Employees Provident Fund Registration (under Employees ' Provident Funds and Miscellaneous Provisions Act,1952)	Employee Provident Fund Organization	KN/HBL/27233	July 01, 2002
2.	Employees State Insurance Corporation(under Employees State Insurance Act,1948)	Employees State Insurance Corporation Hubli	58-0485-101	September 09, 2002
3.	Certificate of registration under the Contract Labour (Regulation and Abolition) Act, 1970	Office of the Assistant, Labour Commissioner, Belagavi Department of Labour	ALC-5/CLA/P-1000000668/2016-17	December 05, 2018

6. INTELLECTUAL PROPERTY RELATEDAPPROVALS/REGISTRATIONS

Sr. No.	Trademark	Trademark Type	Class	Applicant	Trademark No.	Date of Application	Registration Status
1.	Keshav Cemet	Word	19	Shri Keshav Cements and Infra Ltd.	1668171	April 24, 2008 to March 28, 2028	Yes
2	Jyoti power	Word	19	Shri Keshav Cements and Infra Ltd	1660933	April 24, 2008 to March 28, 2028	Yes

The Company has confirmed that no other applications have been made by the Company including Intellectual Property.

LICENSES OR APPROVALS APPLIED FOR AND PENDING APPROVAL

1. *As on date of this Draft Letter of Offer, apart from the following no applications have been made by our Company for any approval.*

   Our Company has applied for the BIS Certification marks 43 Grade Ordinary Portland Cement.

2. *As on date of this Draft Letter of Offer, none of our approvals have expired apart from the details mentioned herein below.*

LICENSES OR APPROVALS APPLIED FOR AND REJECTED

Our Company and our Subsidiary have not applied for any licenses or approvals which have been rejected.

Description	Reference No.	Date of Issue	Expiry Date	Issuing Authority
License to operate Petroleum Class A&B Retail Outlet/ Service station at on Bijlapur to Dharwad road sh 65, 83/3, 4, 5 Nagnapur, Bagal	P/SC/KA/14/3864 (P241578)	July 20, 2010	December 31, 2012#	Government of India, Ministry of Commerce and Industry

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue of Rights Equity Shares to the Eligible Equity Shareholders is being made in accordance with the resolution passed by our Board pursuant to section 62 and other provisions of the Companies Act, at its meeting held on September 21, 2017 and July 11, 2018 where the object of the issue was modified.

The Board or Committee have determined the Issue Price as ₹[●] per Equity Share and the Rights Entitlement as [●] Equity Share for every [●] fully paid-up Equity Share held on the Record Date. The Issue Price has been arrived at, in consultation with the Lead Manager.

Our Company has received approval from the BSE under Regulation 28 of the SEBI Listing Regulations for listing of the Rights Equity Shares to be allotted in the Issue pursuant to their letter dated [●].

Prohibition by SEBI or other Governmental Authorities

None of our Promoters, our Company, our Directors, the members of the Promoter Group, the Group Companies and the persons in control of our Company have been prohibited or debarred from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities.

The companies, with which our Promoters, Directors or persons in control of our Company are or were associated as promoters, directors or persons in control have not been prohibited or debarred from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except our Company, none of our Directors or the entities that our Directors are associated with are engaged in securities market related business and are registered with SEBI and SEBI has not initiated any action against such entities.

Other than as disclosed in the section "*Outstanding Litigation and Material Developments*" on page 198, there has been no action taken by SEBI against our Directors or any of the entities in which our Directors are involved in as promoters or directors.

Prohibition with respect to Wilful Defaulters

Neither our Company, nor our Promoters, relatives of our Promoters, Directors, nor our Group Companies, have been identified as a Wilful Defaulter. Further, other than as disclosed in the section "*Outstanding Litigation and Material Developments*" on page 198, there are no violations of securities laws committed by them in the past or are pending against them.

Directorships of Directors in listed companies

None of our Directors are, or for the five years prior to the date of this Draft Letter of Offer, have been on the board of any listed company whose shares have been/were suspended from being traded on BSE or NSE.

None of our Directors has been or is a director on the board of any listed companies which have been or were delisted from any stock exchange(s).

Eligibility for the Issue

We are a Company incorporated under the Companies Act, 1956 and our Equity Shares are listed on BSE. We are eligible to undertake the Issue in terms of Chapter IV of the SEBI ICDR Regulations.

Pursuant to Clause 3(b) of Part E of Schedule VIII of the SEBI ICDR Regulations, our Company is required to make disclosures as per Part A of Schedule VIII of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI, IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THIS DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. THE LEAD MANAGER, KEYNOTE CORPORATE SERVICES LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, KEYNOTE CORPORATE SERVICES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 28, 2018, WHICH READS 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 THIS DRAFT LETTER OF OFFER PERTAINING TO THE ISSUE;

(2) ON THE BASIS OF SUCH EXAMINATION AND DISCUSSIONS WITH THE COMPANY, 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 COMPANY, WE CONFIRM THAT:

(a) THIS DRAFT LETTER OF OFFER FILED WITH SEBI 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 SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(c) THE DISCLOSURES MADE IN THIS DRAFT LETTER OF OFFER 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, 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 THIS DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS IS VALID;

(4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE, THE ISSUE IS NOT UNDERWRITTEN

(5) WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THIS DRAFT LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER – NOT APPLICABLE

(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 PROMOTER'S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER – NOT APPLICABLE

(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 PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT THE AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE – NOT APPLICABLE

(8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY 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 COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. COMPLIED WITH

(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 THE STOCK EXCHANGE MENTIONED IN THE DRAFT LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKER TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS

CONDITION – NOT APPLICABLE. THIS BEING A RIGHTS ISSUE, SECTION 40(3) OF THE COMPANIES ACT 2013 IS NOT APPLICABLE. FURTHER, TRANSFER OF MONIES RECEIVED PURSUANT TO THE ISSUE SHALL BERELEASED TO THECOMPANY AFTER FINALISATION OF THEBASIS OF ALLOTMENTIN COMPLIANCEWITH REGULATION 56 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009

(10) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT LETTER OF OFFER THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE EQUITY SHARES IN DEMAT OR PHYSICAL MODE – COMPLIED WITH

(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 - COMPLIED WITH

(12) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THISDRAFT LETTER OF OFFER:

- **(a) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND**
- **(b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**

(13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE – NOTED FOR COMPLIANCE

(14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC. - COMPLIED WITH

(15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY - COMPLIED WITH

(16) WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI – NOT APPLICABLE FOR A RIGHTS ISSUE

(17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED WITH TO

<u>THE EXTENT OF RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE RESTATED FINANCIAL INFORMATIONOF THE COMPANY INCLUDED IN THIS DRAFT LETTER OF OFFER</u>

(18) WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS (IF APPLICABLE) - <u>NOT APPLICABLE</u>

THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCE AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT LETTER OF OFFER.

Caution

Disclaimer clauses from our Company and the Lead Manager

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in any advertisement or other material issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at his own risk.

Our Company and the Lead Manager shall make all information available to the Eligible Equity Shareholders and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer with SEBI.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Investors who invest in the Issue will be deemed to have represented to our Company and Lead Manager, and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice/ evaluation as to their ability and quantum of investment in the Issue.

Our Company, the Lead Manager and their directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares. The Lead Manager and its affiliates may engage in transactions withand perform services for our Company and our Group Companies or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company and our Group Companies or affiliates, for which they have received and may in the future receive, compensation.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Karnataka, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue will be BSE.

Disclaimer Clause of BSE

As required, a copy of this Draft Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by the BSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchange.

Filing

This Draft Letter of Offer has been filed with the Corporation Finance Department of the SEBI, located at SEBI Southern Regional Office, D'Monte Building, 3rd Floor, No. 32, D'Monte Colony, TTK Road, Alwarpet, Chennai-600 018, India for its observations. After SEBI gives its observations, this Draft Letter of Offer will be filed with the Designated Stock Exchange as per the provisions of the Companies Act.

Selling Restrictions

The distribution of this Draft Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by the legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer may come are required to inform themselves about and observe such restrictions. We are making this Issue of Equity Shares on a rights basis to our Eligible Equity Shareholders and will dispatch this Draft Letter of Offer/Abridged Letter of Offer and CAFs to the Eligible Equity Shareholders who have provided an Indian address.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is filed with SEBI for observations. Accordingly, the Rights Entitlement or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on directly or indirectly, in whole or in part, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Rights Equity Shares or accepting any provisional allotment of Rights Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Rights Equity Shares or Rights Entitlement.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to this date.

IMPORTANT INFORMATION FOR INVESTORS – ELIGIBILITY AND TRANSFER RESTRICTIONS

As described more fully under the caption *"Notice to Overseas Investors"*, there are certain restrictions regarding the Rights Entitlements and Rights Equity Shares that affect potential investors. These restrictions are restrictions on the ownership of Equity Shares by such persons following the offer.

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the U.S. and, unless so registered, may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) ("U.S. Persons") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered, listed

or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlement or Rights Equity Shares within the U.S. by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Eligible Investors

The Rights Entitlements and the Rights Equity Shares are being offered and sold only to persons who are outside the U.S. and are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. All persons who acquire the Rights Entitlement or Rights Equity Shares are deemed to have made the representations set forth immediately below.

Rights Equity Shares and Rights Entitlement Offered and Sold in this Issue

Each purchaser acquiring the Rights Entitlement or Rights Equity Shares, by its acceptance of this Draft Letter of Offer and of the Rights Entitlement or Rights Equity Shares, will be deemed to have acknowledged, represented to and agreed with us and the Lead Manager that it has received a copy of this Draft Letter of Offer and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Rights Entitlement or Rights Equity Shares in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Rights Entitlements and Rights Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the U.S. and, accordingly, may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(3) the purchaser is purchasing the Rights Entitlements and Rights Equity Shares in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the Securities Act;

(4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Rights Entitlement or Rights Equity Shares, is a non-U.S. Person and was located outside the U.S. at each time (i) the offer was made to it and (ii) when the buy order for such Rights Entitlement or Rights Equity Shares was originated, and continues to be a non-U.S. Person and located outside the U.S. and has not purchased such Rights Entitlement or Rights Equity Shares for the account or benefit of any U.S. Person or any person in the United Sates or entered into any arrangement for the transfer of such Rights Entitlement or Rights Equity Shares or any economic interest therein to any U.S. Person or any person in the U.S.;

(5) the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

(6) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Rights Entitlement or Rights Equity Shares , or any economic interest therein, such Rights Entitlement or Rights Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) outside the U.S. in an offshore transaction complying with Rule 903 or Rights Entitlement or Rights Equity Shares Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the U.S.. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them, and confirms that the proposed transfer of the Rights Entitlement or Rights Equity Shares is not part of a plan or scheme to evade the registration requirements of the Securities Act;

(7) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act in the U.S. with respect to the rights or the Rights Equity Shares;

(8) the purchaser understands that such Rights Entitlement or Rights Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE RIGHTS EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

(9) the purchaser agrees, upon a proposed transfer of the rights or the Rights Equity Shares, to notify any purchaser of such Rights Entitlement or Rights Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Entitlement or Rights Equity Shares being sold;

(10) our Company will not recognize any offer, sale, pledge or other transfer of such Rights Entitlements or Rights Equity Sharesmade other than in compliance with the above-stated restrictions; and

(11) the purchaser acknowledges that our Company, the Lead Manager, its respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Rights Entitlements or Rights Equity Sharesare no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Rights Entitlements or Rights Equity Sharesas a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Each person in a Member State of the EEA which has implemented the Prospectus Directive (each, a "Relevant Member State) who receives any communication in respect of, or who acquires any Rights Entitlement or Rights Equity Sharesunder, the offers contemplated in this Draft Letter of Offer will be deemed to have represented, warranted and agreed to and with the Lead Manager and our Company that in the case of any Rights Entitlement or Rights Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive:

(i) the Rights Entitlements or Rights Equity Sharesacquired by it have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Lead Manager has been given to the offer or resale; or

(ii) where Rights Entitlements or Rights Equity Shareshave been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Rights Entitlement or Rights Equity Shares to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of this provision, the expression an "offer of Equity Shares to the public" in relation to any of the Rights Entitlement or Rights Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the Rights Entitlement or Rights Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Listing

The existing Equity Shares are listed on the BSE. We will apply to the BSE for obtaining in-principle approval in respect of the Rights Equity Shares and for listing and trading of the Rights Equity Shares.

If the permission to deal in and for an official quotation of the securities is not granted by the Stock Exchange, we shall forthwith repay, without interest, all monies received from applicants in pursuance of the Letter of Offer.

Our Company will issue and dispatch allotment advice/ share certificates/ demat credit and/ or letters of regret along with refund order or credit the allotted Equity Shares to the respective beneficiary accounts, if any, within the time prescribed under applicable law. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

Consents

Consents in writing of the Directors, the Statutory Auditors, the Lead Manager, Legal Advisor, Registrar to the Issue and the Bankers to the Issue to act in their respective capacities have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

Singhi & Co., Chartered Accountants, our Statutory Auditors, have given their written consent for the inclusion of their report appearing in this Draft Letter of Offer and such consent and report have not been withdrawn up to the date of this Draft Letter of Offer.

Expert

Except for (i) the reports of the Statutory Auditors on the Restated Financial Information, and (ii) the Statement of Tax Benefits available to our Company and its Shareholders included in this Draft Letter of Offer, we have not obtained any expert opinions.

Issue Related Expenses

For details of and in relation to the Issue Expenses, see "*Objects of the Issue*" on page 67.

Public or rights issues by our Company during the last five years

Our Company has not made a public issue or rights issue of Equity Shares during the last 5 years.

Previous issues of securities otherwise than for cash

Except as disclosed in "*Capital Structure*" on page 58, our Company has not made any issue of securities for consideration otherwise than cash.

Commission or brokerage in previous issue of Equity Shares

No sum has been paid or is been payable as commission or brokerage for any of our previous issue(s) of Equity Shares.

Previous capital issue during the previous three years by the listed Group Companies and Subsidiaries, Joint Venture and Associates of our Company

Our Company does not have any subsidiary or a joint venture or an associate company. None of our Group Companies have made any public or rights issue of equity shares during the last three years.

Performance vis-à-vis objects

Our Company has not undertaken any public or rights issue since incorporation. Accordingly, the requirement to disclose performance vis-à-vis objects in respect of earlier offerings does not apply to our Company.

Performance vis-à-vis objects – Last issue by Listed Group Companies or Subsidiaries or Joint Venture or Associates

Our Company does not have any subsidiary or joint venture or an associate company. None of our Group Companies have made any public or rights issue during the last ten years.

Outstanding debentures, bonds, redeemable preference shares or other instruments

Our Company does not have any outstanding debentures, bonds, redeemable preference shares or other instruments as of the date of this Draft Letter of Offer.

Partly Paid-up Equity Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Letter of Offer.

Investor Grievances and Redressal System

We have adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the SEBI Listing Regulations. Additionally, we have been registered with the SEBIComplaints Redress System ("**SCORES**") as required by the SEBI Circular no. CIR/OIAE/2/2011 dated June 3,2011. Consequently, investor grievances are tracked online by us.

The share transfer and dematerialization for us is being handled by Bigshare Services Private Limited, Registrar and Share Transfer Agent, which is also the Registrar to the Issue. All investor grievances received by us have been handled by the Registrar and Share Transfer agent in consultation with the Compliance Officer.

Our Stakeholders Relationship Committee comprises of Satish Kalpavriksha, Radhika Pinal Dewani, Balasaheb A Mestri. Our Stakeholders Relationship Committee oversees the reports received from the Registrar and Share Transfer agent and facilitates the prompt and effective resolution of complaints from our shareholders and investors.

Investor Grievances arising out of the Issue

The investor grievances arising out of the Issue will be handled by Link Intime India Private Limited, the Registrar to the Issue. The Registrar will have a separate team of personnel handling post-Issue correspondences only.

All grievances relating to the Issue may be addressed to the Registrar to the Issue or the SCSB in case of ASBA Applicants giving full details such as folio no./demat account no., name and address, contact telephone/cell numbers, email id of the first applicant, number of Rights Equity Shares applied for, CAF serial number, amount paid on application and the name of the bank/ SCSB and the branch where the CAF was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar for attending to routine grievances will be 7 to 10 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, itwould be the endeavour of the Registrar to attend to them as expeditiously as possible. Our Companyundertakes to resolve the investor grievances in a time bound manner.

Registrar to the issue

BIGSHARE SERVICES PRIVATE LIMITED
Address:1st Floor, Bharat Tin Works Building Opp. Vasant Oasis,
Makwana Road Marol, Andheri (East) Mumbai 400059
Tel: +91 22 6263 8200
Fax: +91 22 6263 8299
Email: ipo@bigshareonline.com
Investor grievance email: investor@bigshareonline.com
Contact Person: Ashok Shetty
Website: www.bigshareonline.com
SEBI Registration Number: INR000001385

Investors may contact the Compliance Officer in case of any pre-Issue/ post-Issue related problems such as non-receipt of Allotment advice/share certificates/demat credit/refund orders etc. The contact details of the Compliance Officer are as follows:

Santhosh Shadadal
Jyoti Towers, 215/2, 6th Cross nazar Camp
Karbhar Galli, Madhavpur Vadgaon
Belagavi, Karnataka - 590 005, India
Tel: 0831–2484412 /2483510
Fax: 0831- 2484421
E-mail: info@keshavcement.com
Website: www.keshavcement.com

Status of Complaints

(i) The Equity Shares of our Company got listed on August 8, 1995. During Fiscal 2018 and Fiscal 2017, our Company did not receive any complaints.

(ii) Time normally taken for disposal of various types of investor complaints:

- Share transfer process: Within 15 days after receiving full set of documents

- Share transmission process: Within 21 days after receiving full set of documents

- Other Complaints: The average time taken by the Registrar for attending to routine grievances will be 7 to 10 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible. Our Company undertakes to resolve the investor grievances in a time bound manner.

Status of outstanding investor complaints

As on the date of this Draft Letter of Offer, there are no outstanding investor complaints.

Disposal of investor grievances by listed companies under the same management

As on the date of this Draft Letter of Offer, none of our Group Companies are listed on any stock exchange.

As on the date of this Draft Letter of Offer, we do not have any subsidiary, joint venture or an associate company. Accordingly, the requirement to disclose details of investor grievances does not apply.

Changes in Auditors during the last three years

Other than as disclosed below, there has been no change in the statutory auditors in the last three years:

Name of the Auditors	Date of change	Reason for change
Singhi & Co, Chartered Accountants	September 28, 2017	Appointment
Prabhakar K. Latkan, Chartered Accountant	September 28, 2017	Resigned as Auditor

Capitalisation of reserves or profits during last five years.

Our Company has not capitalised reserves or profits in preceding five Fiscals.

Revaluation of fixed assets

Our Company has not revalued its assets in preceding five Fiscals.

Stock market data for Equity Shares

For stock market data, see **“***Market Price Information for Equity Shares*” on page 196.

Minimum Subscription

If our Company does not receive minimum subscription of 90% of the Issue, our Company shall refund the entire subscription amount within the prescribed time. In the event that there is a delay of making refunds beyond such period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under “*Terms of the Issue - Basis of Allotment*” on page 220.

SECTION VIII - OFFERING INFORMATION

TERMS OF THE ISSUE

This Section applies to all Investors. ASBA Investors should note that the ASBA process involves procedures that may be different from that applicable to other Investors and should carefully read the provisions applicable to such Applications, in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the CAF, before submitting an Application Form. The Company and the Lead Manager are not liable for any amendments, modifications or changes in applicable law which may occur after the date of thisDraft Letter of Offer.

The Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, including the CAF, the SAF, the MOA and AOA of our Company, the provisions of the Companies Act, the terms and conditions as may be incorporated in the FEMA, applicable guidelines and regulations issued by SEBIor other statutory authorities and bodies from time to time, the SEBI Listing Regulations, terms and conditions as stipulated in the allotment advice or security certificate and rules as may be applicable and introduced from time to time.

Please note that in accordance with the provisions of the SEBI Circular CIR/CFD/DIL/1/2011 dated April 29, 2011 all QIB investors, Non-Institutional Investors and Non-Retail Individual Investors complying with the eligibility conditions prescribed under the SEBI circular dated December 30, 2009, who intend to participate must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the eligibility conditions may optionally apply through the ASBA process or apply through the non-ASBA process. Investors (i) who are not QIBs or Non-Institutional Investors, or (ii) whose application amount is not more than ₹ 200,000, can participate in the Issue either through the ASBA process or the non ASBA process. Renouncees and Eligible Equity Shareholders holding Equity Shares in physical form are not eligible ASBA Investors and must only apply for Rights Equity Shares through the non-ASBA process, irrespective of the application amounts.

ASBA Investors should note that the ASBA process involves application procedures that may be different from the procedure applicable to non-ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process. For details, see "*Terms of the Issue - Procedure for Application*" on page 220.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in their own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in the Issue and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, for ensuring compliance with the applicable regulations.

All rights or obligations of the Eligible Equity Shareholders in relation to application and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Authority for the Issue

Pursuant to a resolution passed by our Board of Directors at their meetings held on September 21, 2017 and July 11, 2018 where the Objects of the issue was modified, has authorized the Issue and determined a Rights Entitlement of [●] Rights Equity Shares for [●] fully paid-up Equity Shares held on the Record Date and a price of ₹[●] per Rights Equity Share as the Issue Price.

Basis for the Issue

The Rights Equity Shares are being offered for subscription for cash to those existing Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories for the purpose of this Issue in respect of the Equity Shares held in the electronic form and on the register of members of our Company in respect of the Equity Shares held in physical form at the close of business hours on the Record Date, decided in consultation with the Designated Stock Exchange.

Rights Entitlement

As your name appears as a beneficial owner in respect of the Equity Shares held in the electronic form or appears in the register of members as an Eligible Equity Shareholder of our Company, as on the Record Date, i.e. [●] you are entitled to the number of Equity Shares as set out in Part A of the CAFs.

The distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, CAFs and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. We are making the issue of Equity Shares on a rights basis to the Equity Shareholders and the Letter of Offer, Abridged Letter of Offer and the CAFs will be dispatched only to those Equity Shareholders who have a registered address in India. Any person whoacquires Rights Entitlements or Rights Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer and the CAFs, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States and in other restricted jurisdictions.

Persons who may acquire Rights Entitlements or come into possession of the Letter of Offer or Abridged Letter ofOffer or CAF are advised to consult their own legal advisors as to restrictions applicable to them and to observesuch restrictions. The Letter of Offer may not be used for the purpose of an offer or invitation in any circumstancesin which such offer or invitation is not authorised. No action has been or will be taken that would permit the offeringof the Rights Equity Shares or Rights Entitlements pursuant to the Issue to occur in any jurisdiction other than India, or the possession, circulation or distribution of the Letter of Offer or CAF in any jurisdiction where action for suchpurpose is required. Accordingly, the Rights Equity Shares may not be offered or sold, directly or indirectly, and theLetter of Offer, the Abridged Letter of Offer or CAF may not be distributed or published in or from any jurisdictionexcept under circumstances that will result in compliance with applicable law and procedures of and in any suchjurisdiction. Recipients of the Letter of Offer, the Abridged Letter of Offer or the CAF, including Eligible EquityShareholders and Renouncees, are advised to consult their legal counsel prior to applying for the Rights Entitlementand additional Rights Equity Shares or accepting any provisional allotment of Rights Equity Shares, or making anyoffer, sale, resale, pledge or other transfer of theShares or Rights Entitlement.

For Eligible Equity Shareholders wishing to apply through the ASBA process for the Issue, kindly refer sectiontitled "*Procedure for Application through the Applications Supported by Blocked Amount ("ASBA") Process*" on page 220.

PRINCIPAL TERMS OF THE EQUITY SHARES ISSUED UNDER THE ISSUE

Face Value

Each Equity Share will have the face value of ₹10.

Issue Price

Each Equity Share shall be offered at an Issue Price of ₹[●] per Equity Share for cash (including a premium of ₹ [●] per Rights Equity Share).

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] fullypaid-up Equity Shares held on the Record Date.

Terms of Payment

The full amount of Issue Price ₹[●] is payable on application.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to the Equity Shareholders in the ratio of [●] of every RightsEquity Shares for every [●] fully paid-up Equity Shares held on the Record Date.

Further, the Equity Shareholders holding less than one Equity Shares shall have 'zero' entitlement in the Rights Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the CAF shall be non-negotiable.

Ranking of the Equity Shares

The Rights Equity Shares being issued and Allotted pursuant to the Issue shall be subject to the provisions of our Memorandum of Association and Articles of Association. The Equity Shares issued under the Issue shall rank *pari passu*, in all respects including dividends with our existing Equity shares.

Mode of payment of dividend

In the event of declaration of dividends, we shall pay dividends to equity shareholders as per the provisions of the Companies Act and the provisions of our Articles of Association.

Listing and trading of Rights Equity Shares proposed to be issued

Our existing equity shares are currently listed and traded on BSE (Scrip Code: 530977) under the ISIN INE260E01014. The Rights Equity Shares proposed to be issued pursuant to the Issue shall, in terms of the circular (no. CIR/MRD/DP/21/2012) by SEBI dated August 2, 2012, be Allotted under a temporary ISIN which shall be kept blocked till the receipt of final listing and trading approval from the Stock Exchange. Upon receipt of such listing and trading approval, the Rights Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN of our Company and be available for trading.

The listing and trading of the Rights Equity Shares shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the schedule. Upon Allotment, the Rights Equity Shares shall be traded on Stock Exchange in the demat segment only.

We have made an application for "in-principle" approval for listing of the Rights Equity Shares to the BSE. We have received such approval from the BSE dated [●]. We will apply to the BSE for final approval for the listing and trading of theRights Equity Shares. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or that the price at which the Equity Shares offered under the Issue will trade after listing on the Stock Exchange. All steps for the completion of the necessary formalities for listing and commencement of trading of theRights Equity Shares to be allotted pursuant to the Issue shall be taken in accordance with law. The Equity Sharesproposed to be issued on a rights basis shall be listed and admitted for trading on the BSE under theexisting ISIN for Equity Shares.

Intention and extent of participation by our Promoters and Promoter Group in the Issue

Our Promoters and Promoter Grouphave undertaken to (a) subscribe, to the full extent of their Rights Entitlement or subscribe to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly, with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to any unsubscribed portion (if any) in the Issue, in compliance with Regulation 10(4) of the Takeover Regulationsand the applicable law. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) shall be exempt in terms of Regulation 10(4)(b) of the Takeover Regulations subject to fulfilment of conditions mentioned therein and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Rights of the Rights Equity Shareholder

Subject to applicable laws, the Rights Equity Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote in person or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right to free transferability of Rights Equity Shares; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act and Memorandum of Association and Articles of Association.

Arrangements for Disposal of Odd Lots

Our Equity Shares are traded in dematerialised form only and therefore the marketable lot is one Equity Share and hence, no arrangements for disposal of odd lots are required.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

General Terms of the Issue

Market Lot

The Equity Shares of our Company are tradable only in dematerialised form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share. In case an Equity Shareholder holds Rights Equity Shares in physical form, our Company would issue to the Allottees one certificate for the Rights Equity Shares allotted to each folio ("**Consolidated Certificate**"). Such Consolidated Certificates may be split into smaller denominations at the request of the respective Equity Shareholder.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association.In case of joint holders, the Application Form would be required to be signed by all the joint holders tobe considered as valid for allotment of Rights Equity Shares. In case such Equity Shareholders who are joint holderswish to renounce their Rights Entitlement, all such Equity Shareholders who are joint holders would be required tosign Part B of the CAF. In absence of signatures of all joint holders, the CAF would be liable for rejection.

Nomination

In terms of Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital andDebentures) Rules, 2014, nomination facility is available in respect of the Equity Shares. An Investor can nominate any person by filling the relevant details in the CAF in the space provided for this purpose.

In case of Equity Shareholders who are individuals, a sole Equity Shareholder or the first named Equity Shareholder, along with other joint Equity Shareholders, if any, may nominate any person(s) who, in the event of the death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the Equity Shares. A person, being a nominee, becoming entitled to the Equity Shares by reason of the death of the original Equity Shareholder(s), shall be entitled to the same advantages to which he would be entitled if he were the registered holder of the Equity Shares. Where the nominee is a minor, the Equity Shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s), in the event of death of the said holder, during the minority of the nominee. A nomination shall stand rescinded upon the sale of the Equity Shares by the person nominating. A transferee will be entitled to make a fresh nomination in the manner prescribed. Where the Equity Shares are held by more thanone person jointly, the nominee shall become entitled to all rights in the Equity Shares only in the event of deathof all the joint holders. Fresh nominations can be made only in the prescribed form available on request at the Registered Office of our Company or such other person at such addresses as may be notified by our Company. The Investor can make the nomination by filling in the relevant portion of the CAF. Interms of Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014, or any other rules that may be prescribed under the Companies Act, any person who becomes a nominee, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

If the person being a nominee, so becoming entitles, elects to be registered as holders of the Equity Shareshimself, he shall deliver to our Company a notice in writing signed by him stating that he so elects and suchnotice shall be accompanied with the death certificate of the deceased Equity Shareholder.

Further, our 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 90 days, our 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.

Only one nomination would be applicable for one folio. Hence, in case the Equity Shareholder(s) has already registered the nomination with our Company, no further nomination needs to be made for Equity Shares that may be allotted in this Issue under the same folio.

In case the allotment of Equity Shares is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with respective Depositary Participant ("DP") of the Investor would prevail. Any Investor desirous of changing the existing nomination is requested to inform its respective DP.

Offer to Non-Resident Eligible Equity Shareholders/Investors

Applications received from NRs for Equity Shares under the Issue shall be, *inter alia*, subject to the conditions imposed from time to time by the RBI under FEMA, in the matter ofreceipt and refund of Application Money, Allotment, issue of letters of Allotment/allotment advice/sharecertificates, payment of interest and dividends. General permission has been granted to any person resident outsideIndia to purchase shares offered on a rights basis by an Indian company in terms of FEMA and Regulation 6 of Foreign

Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("**FEMA 20, 2017**"). The Abridged Letter of Offer and CAF shall be dispatchedto non-resident Eligible Equity Shareholders at their Indian address only. If an NR or NRI Investors has specificapproval from RBI, in connection with his shareholding, he should enclose a copy of such approval with theApplication Form.

The Equity Shares purchased on a rights basis by Non-Residents shall be subject tothe same conditions including restrictions in regard to the repatriability as are applicable to the original Equity Sharesagainst which Equity Shares are issued on a right basis.

CAFs will be made available for eligible NRIs at our Registered Office and with the Registrar to the Issue.

In case of change of status of holders i.e. from Resident to Non-Resident, a new demat account must be opened.

DETAILS OF SEPARATE COLLECTING CENTRES FOR NON-RESIDENT APPLICATIONS SHALL BE PRINTED ON THE CAF.

Notices

All notices to the Equity Shareholder(s) required to be given by our Company shall be published in one English national daily with wide circulation, one Hindi national daily with wide circulation and one regional language daily newspaper with wide circulation in the state where our registered office is located, in our case being, Kannada daily and/or, will be sent by ordinary post/registered post/speed post the registered address of the Equity Shareholders in India or the Indian addressprovided by the Equity Shareholders, from time to time.However, the distribution of the Letter of Offer/AbridgedLetter of Offer/CAF and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside Indiamay be restricted by legal requirements prevailing in those jurisdictions.

Procedure for Application

The CAF for the Rights Equity Shares offered as part of the Issue would be printed in black ink for all Eligible Equity Shareholders. The CAF along with the Abridged Letter of Offer shall be dispatched through registered post or speedpost at least three days before the Issue Opening Date. In case the original CAFs are not received by the Investor or is misplaced by the Investor, the Investor may request the Registrar to the Issue, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID Number, Client ID Number and their full name and address. In case the signature of the Equity Shareholder(s) does not match with the specimen registered with our Company, the application is liable to be rejected.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the CAF/duplicate CAF attributable to postal delays or if the CAF/duplicate CAF are misplaced in the transit. Equity Shareholders should note that those who are making the application in such duplicate CAF should not utilise the original CAF for any purpose, including renunciation, even if the original CAF is received or found subsequently. If any Equity Shareholder violates any of these requirements, he/she shall face the risk of rejection of both applications.

Please note that in accordance with the provisions of SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are QIBs or Non-Institutional Investors must mandatorily make use of ASBA facility.

All QIB applicants, Non-Institutional Investors and other Applicants whose Application Amount exceeds ₹ 2 lakhscan participate in the Issue only through the ASBA process, subject to their fulfilling the eligibility conditions to bean ASBA Investor. Further all QIB applicants and Non-Institutional Investors are mandatorily required to useASBA, even if application amount does not exceed ₹ 2 lakhs, subject to their fulfilling the eligibility conditions tobe an ASBA Investor. The Investors who are (i) not QIBs, (ii) not Non-

Institutional Investors or (iii) investorswhose application amount is less than ₹ 2 lakhs can participate in the Issue either through the ASBA process or thenon ASBA process.

Please also note that by virtue ofcircular no. 14, dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies ("**OCBs**") have been derecognised as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Any Equity Shareholders being an OCB is required to obtain prior approval from RBI for applying in this Issue.

CAF

The Registrar to the Issue will dispatch the CAF along with the Abridged Letter of Offer along to all EquityShareholders as per their Rights Entitlement on the Record Date.

Applicants may choose to accept the offer to participate in the Issue by making plain paper Applications. For more information, see "*Terms of the Issue - Application on Plain Paper*" on pages 220.

The CAF consists of four parts:

- Part A: Form for accepting the Rights Equity Shares offered as a part of this Issue, in full or in part, and for applying for additional Rights Equity Shares;
- Part B: Form for renunciation of Rights Equity Shares;
- Part C: Form for application of Rights Equity Shares by renouncee(s);
- Part D: Form for request for Split Application Forms.

Option available to the Equity Shareholders

The CAFs will clearly indicate the number of Rights Equity Shares that the Equity Shareholder is entitled to.

An Eligible Equity Shareholder can:

- Apply for Rights Entitlement of Equity Shares in full;
- Apply for Rights Entitlement of Equity Shares in part (without renouncing the other part);
- Apply for Rights Entitlement of Equity Shares in part and renounce the other part of the Equity Shares (by requesting for split forms);
- Apply for Rights Entitlement in full and apply for additional Equity Shares; and
- Renounce Rights Entitlement in full.

Acceptance of the Issue

You may accept the offer to participate and apply for the Rights Equity Shares offered, either in full or in partwithoutrenouncing the balance, by filling Part A of the CAFs and submit the same along with the application money payable to the Banker(s) to the Issue or any of the collection branches as mentioned on the reverse of the CAFs before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by our Board of Directors in this regard. Investors at centres not covered by the branches of collecting banks can send their CAFs together with the cheque drawn at par on a local bank at Mumbai, demand draft payable at Mumbai to the Registrar to the Issue by registered post/speed post so as to reach the Registrar to the Issue prior to the Issue Closing Date. Please note that neither our Company nor the Lead Manager nor the Registrar to the Issue shall be responsible fordelay in the receipt of the CAF attributable to postal delays or if the CAF is misplaced in transit. Such applications sent to anyone other than the Registrar to the Issue are liable to be rejected. For further details on the mode of payment, see "*Mode of Payment for Resident Equity Shareholders/Investors" and "Mode of Payment for Non-Resident Equity Shareholders/Investors*" on page 220.

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Equity Shares offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under "*Terms of the Issue-Basis of Allotment*" on page 220.

Under the foreign exchange regulations currently in force in India, transfers of shares between Non-Residents and residents are permitted subject to compliance with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or certain other conditions, then the prior approval of the RBI will be required. FVCIs, Category - I AIFs and VCFs are not permitted to participate in the rights issue by listed companies. For details on restrictions on eligibility by FPIs and FVCIs, *see "Terms of the Issue - Investment by FPIs and NRIs"* and "*Terms of the Issue - Investment by AIFs, FVCIs and VCFs"* on pages 220.

If you desire to apply for additional Equity Shares, please indicate your requirement in the place provided for additional Equity Shares in Part A of the CAF. The Renouncee applying for all the Equity Shares renounced in their favour may also apply for additional Rights Equity Shares.

Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Renunciation

This Issue includes a right exercisable by you to renounce the Equity Shares offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that our Company shall not Allot and/or register any Equity Shares in favour of the following Renouncees: (i) more than three persons (including joint holders), (ii) partnership firm(s) or their nominee(s), (iii) minors (except applications by minors having valid demat accounts as per the demographic details provided by the Depositors), (iv) HUF (however, you may renounce your Rights Entitlements to the Karta of an HUF acting in his capacity of Karta), or (v) any trust or society (unless the same is registered under the Societies Registration Act, 1860 or the Indian Trust Act, 1882 , as amended or any other applicable law relating to societies or trusts and is authorised under its constitutions or bye-laws to hold equity shares, as the case may be). Additionally, existing Equity Shareholders may not renounce in favour of persons or entities which would otherwise be prohibited frombeing offered or subscribing for Equity Shares or Rights Entitlement under applicable securities or other laws.Equity Shareholders may alsonot renounce in favour of persons or entities in the United States orto theaccount or benefit of a U.S. person (as defined in Regulation S) or to who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("**OCBs**") have been derecognised as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, the existing Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s).

The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Shareholders renouncing their rights in favour of OCBs may do so provided such renouncee obtains a prior approval from the RBI. On submission of such approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Part 'A' of the CAF must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid. Submission of the CAF to the Banker to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part 'B' of the CAF) duly filled in shall be conclusive evidence for our Company of the fact off renouncement to the person(s) applying for Rights Equity Shares in Part 'C' of the CAF for the purpose of Allotment of such Rights Equity Shares. The Renouncees applying for all the Rights Equity Shares renounced in their favour may also apply for additional Rights Equity Shares. Part 'A' of the CAF must not be used by the Renouncee(s) as this will render the application invalid. Renouncee(s) will have no right to further renounce any Rights Equity Shares in favour of any other person.

Procedure for renunciation

To renounce all the RightsEquity Shares offered to an Equity Shareholder in favour of one Renouncee

If you wish to renounce the offer indicated in Part 'A', in whole, please complete Part 'B' of the CAF. In case of joint holding, all joint holders must sign Part 'B' of the CAF. The person in whose favour renunciation has been made should complete and sign Part 'C' of the CAF. In case of joint Renouncees, all joint Renouncees must sign Part 'C' of the CAF.

To renounce in part/or the whole to more than one person(s)

If you wish to either accept this offer in part and renounce the balance or renounce the entire offer under this Issue in favour of two or more Renouncees, the CAF must be first split into requisite number of SAFs. Please indicate your requirement of SAFs in the space provided for this purpose in Part 'D' of the CAF and return the entire CAF to the Registrar to the Issue so as to reach them latest by the close of business hours on the last date of receiving requests for SAFs. On receipt of the required number of SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Equity Shareholder(s), who has renounced the Rights Equity Shares, does not match with the specimen registered with our Company/DP, the application is liable to be rejected.

Renouncee(s)

The person(s) in whose favour the Rights Equity Shares are renounced should fill in and sign Part 'C' of the CAF and submit the entire CAF to the Banker to the Issue on or before the Issue Closing Date along with the application money in full. The Renouncee cannot further renounce.

Change and/or introduction of additional holders

If you wish to apply for Rights Equity Shares jointly with any other person(s), not more than three (including you), who is/are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, this right of renunciation is subject to the express condition that our Board of Directors shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof. All such applications will be treated as applications from Renouncees and shall have to be made through thenon-ASBA process only to be considered valid for allotment. Please also see section titled "*Terms of the Issue*" on page 220.

APPLICATIONS FOR NON-ASBA INVESTORS

Eligible Equity Shareholders who are eligible to apply under the Non – ASBA process

The option of applying for Equity Shares through non – ASBA process is available only to Eligible EquityShareholders whose application amount does not exceed ₹ 2 lakhs as well as Renouncees. All Applicants who areQIBs and Non – Institutional Investors can apply in the Issue only through the ASBA process.

Instructions for Options for Non-ASBA Investors

The summary of options available to the Eligible Equity Shareholder is presented below. You may exercise any of the following options with regard to the Rights Equity Shares offered, using the CAF:

No.	Option Available	Action Required
1.	Accept whole or part of your Rights Entitlement without renouncing the balance	Fill in and sign Part A *(All joint holders must sign in the same sequence)*
2.	Accept your Rights Entitlement in full and apply for additional Rights Equity Shares	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Rights Equity Shares *(All joint holders must sign in the same sequence)*
3.	Accept a part of your Rights Entitlement and renounce the balance to one or more Renouncee(s) OR Renounce your Rights Entitlement to all the Rights Equity Shares offered to you to more than one Renouncee	Fill in and sign Part D *(all joint holders must sign in the same sequence)* requesting for SAFs. Send the CAF to the Registrar to the Issue so as to reach them on or before the last date for receiving requests for SAFs. Splitting will be permitted only once. On receipt of the SAF take action as indicated below: (a) For the Rights Equity Shares you wish to accept, if any, fill in and sign Part A. (b) For the Rights Equity Shares you wish to renounce, fill in and sign Part B indicating the number of Equity Shares renounced and hand it over to the Renouncee. Each of the Renouncees should fill in and sign Part C for the Rights Equity Shares accepted by them.
4.	Renounce your Rights Entitlement in full to one person (Joint Renouncees are considered as one)	Fill in and sign Part B *(all joint holders must sign in the same sequence)* indicating the number of Rights Equity Shares renounced and hand it over to the Renouncee. The Renouncee must fill in and sign Part C *(All joint Renouncees must sign in the same sequence)*
5.	Introduce a joint holder or change the sequence of joint holders	This will be treated as a renunciation. Fill in and sign Part B and the Renouncee must fill in and sign Part C.

In case of Equity Shares held in physical form, applicants must provide information in the CAF as to their respective bank account numbers, name of the bank, to enable the Registrar to print the said details on the refund order. Failure to comply with this may lead to rejection of application. In case of Equity Shares held in demat form, bank account details furnished by the Depositories will be printed on the refund order.

Please note that:

- Options 3, 4 and 5 will not be available for Equity Shareholders applying through ASBA process.
- Part 'A' of the CAF must not be used by any person(s) other than the Equity Shareholder to whom the Letter of Offer has been addressed. If used, this will render the application invalid.

- Request for SAF should be made for a minimum of one Rights Equity Share or, in either case, in multiples thereof and one SAF for the balance Rights Equity Shares, if any.

- Request by the Investor for the SAFs should reach the Registrar on or before last date forreceiving request for SAF(s).

- Only the Equity Shareholder to whom the Letter of Offer has been addressed shall be entitled to renounce and to apply for SAFs. Forms once split cannot be split further.

- SAFs will be sent to the Investor (s) by post at the applicant's risk.

- Equity Shareholders may not renounce in favour of persons or entities in the restricted jurisdictions including the United Statesor to or for the account or benefit of a "U.S. Person" (as defined in Regulations of the U.S Securities Act, 1933), or who would otherwise be prohibited from being offered or subscribing for Rights Equity Shares or Rights Entitlement under applicable securities laws.

- Submission of the CAF to the Banker to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part 'B' of the CAF) duly filled in shall be conclusive evidence for us of the person(s) applying for the Rights Equity Shares in Part 'C' of the CAF to receive Allotment of such Rights Equity Shares.

- While applying for or renouncing their Rights Entitlement, joint Equity Shareholders must sign the CAF in the same order as per specimen signatures recorded with us or the Depositories.

- Non-resident Equity Shareholders: Application(s) received from Non-Resident/NRIs, or persons of Indian origin residing abroad for allotment of Rights Equity Shares allotted as a part of this Issue shall, amongst other things, be subject to conditions, as may be imposed from time to time by the RBI in the matter of refund of application money, allotment of equity shares, subsequent issue and allotment of equity shares, interest, export of share certificates, etc. In case a Non-Resident or NRI Investor has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Applications not accompanied by the aforesaid approvals are liable tobe rejected.

- Applicants must write their CAF number at the back of the cheque/demand draft.

- The RBI has mandated that CTS 2010 compliant cheques can only be presented in clearing hence the CAFs accompanied by non-CTS cheques could get rejected.

Availability of duplicate CAF

In case the original CAF is not received, or is misplaced by the Investor, the Registrar to the Issue will issue a duplicate CAF on the request of the Investor who should furnish the registered folio number/DP and Client ID number and his/her full name and address to the Registrar to the Issue. Please note that the request for duplicate CAF should reach the Registrar to the Issue within eight days from the Issue Opening Date. Please note that those who are making the application in the duplicate form should not utilise the original CAF for any purpose including renunciation, even if it is received/found subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications.

Our Company or the Registrar to the Issue or the Lead Manager, shall not be responsible for postal delays or loss of duplicate CAFs in transit, if any.

Application on Plain Paper- Non ASBA

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate

CAF may make an application to subscribe to the Issue on plain paper, along with demand draft, net of bank and postal charges payable at Mumbai which should be drawn in favour of the "Shri Keshav Cements & Infra Limited– Rights Issue – R" in case of the resident shareholders and non-resident shareholders applying on non-repatriable basis and in favour of the "Shri Keshav Cements & Infra Limited – Rights Issue – NR"in case of the non-resident shareholders applying on repatriable basis and send the same by registered/speed post directly to the Registrar to the Issue so as to reach Registrar to the Issue on or before the Issue Closing Date.

The envelope should be superscribed "Shri Keshav Cements and Infra Limited – Rights Issue – R"in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and "Shri Keshav Cements & Infra Limited – Rights Issue – NR"in case of non-resident shareholders applying on repatriable basis.

The application on plain paper, duly signed by the Investors including joint holders, in the same order as per specimen recorded with our Company, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of Issuer, being Shri Keshav Cements & Infra Limited;
- Name and address of the Equity Shareholder including joint holders;
- Registered Folio Number/DP and Client ID no.;
- Number of Equity Shares held as on Record Date;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for;
- Total amount paid at the rate of ₹[●]per Rights Equity Share;
- Particulars of cheque/demand draft;
- Savings/Current Account Number and name and address of the bank where the Equity Shareholder will be depositing the refund order. In case of Equity Shares allotted in demat form, the bank account details will be obtained from the information available with the Depositories;
- Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants;
- Share certificate numbers and distinctive numbers of Equity Shares, if held in physical form (Rights Equity Shares will beallotted in physical form only if the Equity Shares held on the Record Date are in the physical form);
- Allotment option preferred - physical or demat form, if held in physical form;
- Signature of the Equity Shareholders to appear in the same sequence and order as they appear in our records or the Depositories' records
- In case of Non-Resident Equity Shareholders, NRE/FCNR/NRO A/c No. name and address of the bank and branch;
- If payment is made by a draft purchased from an NRE/FCNR/NRO A/c No., as the case may be, an Account debit certificate from the bank issuing the draft, confirming that the draft has been issued by debiting NRE/FCNR/NRO A/c; and
- Additionally, all such applicants are deemed to have accepted the following:

*"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (the "**US Securities Act**") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "**United States**")or to, or for the account or benefit of a "U.S. Person" asdefined in Regulation S under the US Securities Act ("**Regulation S**"). I/we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/we understand that none of the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company has reason to believe is, a resident of the United States"U.S. Person" (as defined in Regulation S) or is ineligible to participate in the Issue under the securitieslaws of their jurisdiction.*

I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement and/or the Rights Equity Shares is/are, outside the United States, (ii) am/are not a "U.S. Person" as defined in Regulation S, and(iii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilise the original CAF for any purpose including renunciation even if it is received subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications. We shall refund such application amount to the Investor without any interest thereonand no liability shall arise on part of our Company, Lead Manager and its Directors.

Investors are requested to note that CAF or plain paper application with only foreign addresses is liable to berejected on technical grounds. The CAF or plain paper application should contain the Indian address also if foreignaddress is mentioned.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor.

The plain paper application format will be available on the website of the Registrar to the Issue at www.bigshareonline.com.

Last date for Application

The last date for submission of the duly filled in CAF or plain paper application is [●]. Our Board of Directors may extend the said date forsuch period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the IssueOpening Date.

If the CAF together with the amount payable is not received by the Banker to the Issue/Registrar to the Issue on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and the Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered.

Mode of payment for Resident Equity Shareholders/Investors

All cheques/drafts accompanying the CAF should be drawn in favour of the Collecting Bank (specified on the reverse of the CAF), crossed 'A/c Payee only' and marked *"*Shri Keshav Cements & Infra Limited – Rights Issue –R*"*.

Investors residing at places other than places where the bank collection centres have been opened by our Company for collecting applications, are requested to send their CAFs together with Demand Draft for the full application amount, net of bank and postal charges favouring the Banker to the Issue, crossed 'A/c Payee only' and marked *"*Shri Keshav Cements & Infra Limited – Rights Issue – R*"*payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

Applications through mails should not be sent in any other manner except as mentioned above. The CAF along with the application money must not be sent to our Company or the Lead Manager or the Registrar. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Equity Shareholders/Investors

As regards the application by non-resident Equity Shareholders, the following conditions shall apply:

- Individual non-resident Indian applicants who are permitted to subscribe for Rights Equity Shares by applicable local securities laws can obtain application forms from the following address:

  BIGSHARE SERVICES PRIVATE LIMITED
  Address:1st Floor, Bharat Tin Works Building Opp. Vasant Oasis,
  Makwana Road Marol, Andheri (East) Mumbai 400059
  Tel: +91 22 6263 8200
  Fax: +91 22 6263 8299
  Email: ipo@bigshareonline.com
  Investor grievance email: investor@bigshareonline.com
  Contact Person: Ashok Shetty
  Website: www.bigshareonline.com
  SEBI Registration Number: INR000001385

Note: The Letter of Offer/ Abridged Letter of Offer and CAFs to NRIs shall be sent only to their Indian address, if provided.

- All non-resident Investors should draw the cheques/demand drafts in favour of "Shri Keshav Cements & Infra Limited – Rights Issue – R" in case of the resident shareholders and non-resident shareholders applying on non-repatriable basis and in favour of "Shri Keshav Cements & Infra Limited – Rights Issue – NR" in case of the non-resident shareholders applying on repatriable basis, crossed "A/c Payee only" for the full application amount, net of bank and postal charges and which should be submitted along with the CAF to the Banker to the Issue/collection centres or to the Registrar to the Issue.

- Non-resident Investors applying from places other than places where the bank collection centres have been opened by our Company for collecting applications, are requested to send their CAFs together with demand draft for the full application amount, net of bank and postal charges drawn in favour of Banker to the Issue, crossed "A/c Payee only" and marked as "Shri Keshav Cements & Infra Limited – Rights Issue – NR" payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

- Applications will not be accepted from non-resident from any jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.

- Payment by non-residents must be made by demand draft payable at Mumbai/cheque payable drawn on a bank account maintained at Mumbai or funds remitted from abroad in any of the following ways:

Application with repatriation benefits

- By Indian Rupee drafts purchased from abroad and payable at Mumbai or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate);
- By cheque/draft on a Non-Resident External Account ("**NRE**") or Foreign Currency Non-Resident ("**FCNR**") Account maintained in India;
- By Rupee draft purchased by debit to NRE/FCNR Account maintained elsewhere in India and payable in Mumbai;
- Non-resident Investors applying with repatriation benefits should draw cheques/drafts in favour of and marked "Shri Keshav Cements & Infra Limited – Rights Issue – NR" and must be crossed 'account payee only' for the full application amount, net of bank and postal charges;
- FPIs registered with SEBI must remit funds from special non-resident rupee deposit account;
- Investors may note that where payment is made by drafts purchased from NRE/FCNR accounts as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected;
- In the case of NRI Investors who remit their application money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any, shall be credited to such account details of which should be furnished in the appropriate columns in the CAF. In the case of NRI Investors who remit their application money through Indian Rupee drafts from abroad, refunds and other disbursements, if any, will be made in U.S Dollars at the rate of exchange prevailing at such time subject to the permission of RBI. Our Company will not be liable for any loss on account of exchange rate fluctuation for converting the Rupee amount into U.S. Dollar or for collection charges charged by the Investor's bankers;
- Payments through NRO accounts will not be permitted; or
- Investors may note that where payment is made by drafts purchased from NRE/FCNR accounts as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.

Application without repatriation benefits

- As far as non-residents holding Equity Shares on non-repatriation basis are concerned, in addition to the modes specified above, payment may also be made by way of cheque drawn on Non-Resident

(Ordinary) Account maintained in India or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at Mumbai. In such cases, the Allotment of Equity Shares will be on non-repatriation basis.

- All cheques/drafts submitted by non-residents applying on a non-repatriation basis should be drawn in favour of "Shri Keshav Cements & Infra Limited – Rights Issue – R" and must be crossed 'account payee only' for the full application amount, net of bank and postal charges. The CAFs duly completed together with the amount payable on application must be deposited with the collecting bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
- Investors may note that where payment is made by drafts purchased from NRE/FCNR/NRO accounts as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR/NRO account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.
- New demat account shall be opened for holders who have had a change in status from resident Indian to NRI. Any application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected.

Notes:

- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the IT Act.
- In case Rights Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
- The CAF duly completed together with the amount payable on application must be deposited with the collecting bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
- In case of an application received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines/rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

General instructions for non-ASBA Investors

a. Please read the instructions printed on the enclosed CAF carefully.

b. Applicants that are not QIBs or are not Non - Institutional Investor or those whose application money does not exceed ₹ 2,00,000 may participate in the Issue either through ASBA or the non-ASBA process. Eligible Shareholders who have renounced their entitlement (in full or in part), Renouncees and Applicants holding Equity Shares in physical form and/or subscribing in the Issue for Allotment in physical form may participate in the Issue only through the non ASBA process.

c. Application should be made on the printed CAF, provided by our Company except as mentioned under the head "*Application on Plain Paper – non ASBA*" on page 220 andshould be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Letter of Offer or Abridged Letter of Offer are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The CAF must be filled in English and the names of all the Investors, details of occupation, address, father's / husband's name must be filled in block letters.

d. The CAF together with the cheque/demand draft should be sent to the Banker to the Issue/Collecting Bank or to the Registrar to the Issue and not to our Company or Lead Manager to the Issue. Investors residing at places other than cities where the branches of the Banker to the Issue have been authorised by our Company for collecting applications, will have to make payment by demand draft payable at

Mumbai of an amount net of bank and postal charges and send their CAFs to the Registrar to the Issue by registered post. If any portion of the CAF is/are detached or separated, such application is liable to be rejected.

e. Applications where separate cheques/demand drafts are not attached for amounts to be paid for Rights Equity Shares are liable to be rejected.

f. Except for applications on behalf of the Central and State Government, the residents of Sikkim and the officials appointed by the courts, all Investors, and in the case of application in joint names, each of the joint Investors, should mention his/her PAN number allotted under the IT Act, irrespective of the amount of the application. CAFs without PAN will be considered incomplete and are liable to be rejected.

g. Investors, holding Equity Shares in physical form, are advised that it is mandatory to provide information as to their savings/current account number and the name of the bank with whom such account is held in the CAF to enable the Registrar to the Issue to print the said details in the refund orders, if any, after the names of the payees. Application not containing such details is liable to be rejected.

h. All payment should be made by cheque/demand draft only. Application through the ASBA process as mentioned above is acceptable. Cash payment is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.

i. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Equity Shareholders must sign the CAF as per the specimen signature recorded with our Company.

j. In case of an application under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under this Issue and to sign the application and a copy of the Memorandum and Articles of Association and/or bye laws of such body corporate or society must be lodged with the Registrar to the Issue giving reference of the serial number of the CAF. In case the above referred documents are already registered with our Company, the same need not be a furnished again. In case these papers are sent to any other entity besides the Registrar to the Issue or are sent after the Issue Closing Date, then the application is liable to be rejected. In no case should these papers be attached to the application submitted to the Banker to the Issue.

k. In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company. Further, in case of joint Investors who are Renouncees, the number of Investors should not exceed three. In case of joint Investors, reference, if any, will be made in the first Investor’s name and all communication will be addressed to the first Investor.

l. Application(s) received from NRs/NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, *inter alia*, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, Allotment of Rights Equity Shares, subsequent issue and Allotment of Rights Equity Shares, interest, export of share certificates, etc. In case a NR or NRI Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Additionally, applications will not be accepted from NRs/NRIs in the United States or its territories and possessions, or any other jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.

m. All communication in connection with application for the Rights Equity Shares, including any change in address of the Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole Investor, folio numbers and CAF number. Please note that any intimation for change of address of Equity Shareholders, after the date of Allotment, should be sent to the Registrar and Transfer Agents of our Company, in the case of Equity Shares held in physical form and to the respective depository participant, in case of Equity Shares held in dematerialised form.

n. SAFs cannot be re-split.

o. Only the person or persons to whom Rights Equity Shares have been offered and not Renouncee(s) shall be entitled to obtain SAFs.

p. Investors must write their CAF number at the back of the cheque/demand draft.

q. Only one mode of payment per application should be used. The payment must be by cheque/demand draft drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub member of the bankers clearing house located at the centre indicated on the reverse of the CAF where the application is to be submitted.

r. A separate cheque/draft must accompany each CAF. Outstation cheques/demand drafts or post-dated cheques and postal/money orders will not be accepted and applications accompanied by such cheques/demand drafts/money orders or postal orders will be rejected.

s. No receipt will be issued for application money received. The Banker to the Issue/Collecting Bank/Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.

t. The distribution of the Letter of Offer and issue of Equity Shares and Rights Entitlements to persons in certain jurisdictions outside India may be restricted by legal requirements in those jurisdictions. Persons in the United States and such other jurisdictions are instructed to disregard the Letter of Offer and not to attempt to subscribe for Equity Shares.

Do's for non-ASBA Investors:

- Check if you are eligible to apply i.e. you are an Equity Shareholder on the Record Date;
- Read all the instructions carefully and ensure that the cheque/draft option is selected in part A of the CAF and necessary details are filled in;
- In the event you hold Equity Shares in dematerialised form, ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialised form only;
- Ensure that your Indian address is available to our Company and the Registrar, in case you hold equity shares in physical form or the depository participant, in case you hold equity shares in dematerialised form;
- Ensure that the CAFs are submitted at the collection centres of the Banker to the Issue only on prescribed forms;
- Ensure that the value of the cheque/draft submitted by you is equal to the (number of Equity Shares applied for) X (Issue Price of Equity Shares, as the case may be) before submission of the CAF;

- Ensure that you receive an acknowledgement from the collection centers of the collection bank for your submission of the CAF in physical form;

- Ensure that you mention your PAN allotted under the IT Act with the Application Form, except for Application on behalf of the Central and State Governments, residents of the state of Sikkim and officials appointed by the courts;

- Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF; and

- Ensure that the Demographic Details are updated, true and correct, in all respects.

Don’ts for non-ASBA Investors

- Do not apply if you are not eligible to participate in this Issue in terms of the securities laws applicable to your jurisdiction;

- Do not apply on duplicate CAF after you have submitted a CAF to a collection center of the collection bank;

- Do not pay the amount payable on application in cash, by money order or by postal order;

- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground; and

- Do not submit Application accompanied with Stock invest.

Grounds for Technical Rejection for non-ASBA Investors

Investors are advised to note that applications may be rejected on technical grounds, including the following:

- Amount paid does not tally with the amount payable;
- Bank account details (for refund) are not given and the same are not available with the DP (in the case of dematerialised holdings) or with the Registrar (in the case of physical holdings);
- Age of Investor(s) not given (in case of Renouncees);
- Application for Allotment of Rights Entitlements or additional shares in physical form (in case the existing holding is in dematerialised form);
- Except for CAFs on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN number not given for application of any value;
- In case of CAF under power of attorney or by limited companies, corporate, trust, relevant documents are not submitted;
- If the signature of the Equity Shareholder does not match with the one given on the CAF and for renouncee(s) if the signature does not match with the records available with their depositories;
- CAFs are not submitted by the Investors within the time prescribed as per the CAF and the Letter of Offer;
- CAFs not duly signed by the sole/joint Investors;
- CAFs by OCBs without specific RBI approval;

- CAFs accompanied by outstation cheques/post-dated cheques/money order/postal order/outstation demand draft;
- In case no corresponding record is available with the depositories that matches three parameters, namely, names of the Investors (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity;
- CAFs that do not include the certifications set out in the CAF to the effect that, among other thing, the subscriber is not located in restricted jurisdictions and is authorised to acquire the Rights Entitlements and Equity Shares in compliance with all applicable laws and regulations;
- CAFs which have evidence of being executed in/dispatched from restricted jurisdictions;
- CAFs by ineligible non-residents (including on account of restriction or prohibition under applicable local laws);
- CAFs where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements;
- In case the GIR number is submitted instead of the PAN;
- Applications by Renouncees who are persons not competent to contract under the Indian Contract Act, 1872, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
- Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application;
- QIBs and other Equity Shareholders applying for Equity Shares in this Issue for value of more than ₹ 2,00,000 who hold Equity Shares in dematerialised form, applying through the non-ASBA process; and
- Equity Shareholders not being individuals or HUFs applying for Equity Shares in this Issue for a value not exceeding ₹ 2,00,000, who hold Equity Shares in dematerialised form, applying through the non-ASBA process.

Please read the Letter of Offer or Abridged Letter of Offer and the instructions contained therein and in the CAF carefully before filling in the CAF. The instructions contained in the CAF are an integral part of the Letter of Offer and must be carefully followed. The CAF is liable to be rejected for any non-compliance of the provisions contained in the Letter of Offer or the CAF.

Please note that Equity Shareholders being QIBs and Non-Institutional Investors can participate in this Issue only through the ASBA process. Retail Individual Investors whose application amounts do not exceed ₹ 2,00,000 can participate in this Issue either through the ASBA process or the non ASBA process.

PROCEDURE FOR APPLICATION THROUGH THE APPLICATIONS SUPPORTED BY BLOCKED AMOUNT ("ASBA") PROCESS

This section is for the information of the ASBA Investors proposing to subscribe to the Issue through the ASBA Process. The Lead Manager and we are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors who are eligible to apply underthe ASBA Process are advised to make their independent investigations and to ensure that the CAF is correctly filledup.

The Lead Manager, we, our Directors, affiliates, Associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. Inrelation to applications accepted by SCSBs, applications uploaded by SCSBs, applications accepted but not uploaded by SCSBs or applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by SCSBs, the amount payable on application has been blocked in the relevant ASBA Account.

Please note in accordance with the provisions of SEBI circular number CIR/CFD/DIL/1/2011 dated April 29, 2011, all applicants who are (i) QIBs, (ii) Non-InstitutionalInvestors or (iii) other applicants whose application amount exceeds ₹ 2 lakhs shall mandatorily make use of ASBA facility. All QIBs and Non-Institutional Investors, complying with the eligibility conditions of SEBI circular dated December 30, 2009, must mandatorily invest through the ASBA process. The Investors who are (i) not QIBs, (ii) not Non-Institutional Investors, or (iii) investors whose application amount is less than ₹2 lakhs can participate in the Issue either through the ASBA process or the non ASBA process. Notwithstanding anything contained hereinabove, all Renouncees (including Renouncees who are Individuals) shall apply in the Issue only through the non-ASBA process.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013 it is clarified that for makingapplications by banks on own account using ASBA facility, SCSBs should have a separate account in own namewith any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account inits own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separateaccount shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

Self-Certified Syndicate Banks

The list of banks which have been notified by SEBI to act as SCSBs for the ASBA Process is provided onwww.sebi.gov.in and/or such other website(s) as may be prescribed by the SEBI / Stock Exchange from time totime. For details on Designated Branches of SCSBs collecting the CAF, please refer the above mentioned SEBI link.

ASBA Investors who are eligible to apply under the ASBA Process

An ASBA Investor is an investor (Equity Shareholder) who is intending to subscribe the Equity Shares of our Company under this Issue applying through blocking of funds in a bank account maintained with SCSBs. The option of applying for Rights Equity Shares through the ASBA Process is available only to the Equity Shareholders on the Record Date.

All QIBs and Non-Institutional Investors and investors making an application for a value of more than ₹ 2,00,000 and complying with the above conditions, must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the above conditions may optionally apply through the ASBA process. Renouncees are not eligible ASBA investors and must only apply for the Rights Equity Shares through the non ASBA process.

To qualify as ASBA Applicants, Eligible Equity Shareholders:

- are required to hold Rights Equity Shares in dematerialized form as on the Record Date and apply for: (i) their Rights Entitlement; or (ii) their Rights Entitlement and Rights Equity Shares in addition to their Rights Entitlement in dematerialized form;
- should not have renounced their Right Entitlement in full or in part;
- should not have split the CAF and further renounced it;
- should not be Renouncees;
- should apply through blocking of funds in bank accounts maintained with SCSBs; and
- are eligible under applicable securities laws to subscribe for the Rights Entitlement and the Rights Equity Shares in the Issue

CAF

The Registrar will dispatch the CAF to all Equity Shareholders as per their Rights Entitlement on the Record Date for the Issue. Those Eligible Equity Shareholders who wish to apply through the ASBA payment mechanism will have to select for this mechanism in Part A of the CAF and provide necessary details.

Eligible Equity Shareholders desiring to use the ASBA Process are required to submit their applications by selecting the ASBA Option in Part A of the CAF. Application in electronic mode will only be available with such SCSBs who provide such facility. The Equity Shareholder shall submit the CAF to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amountpayable on theapplication in the ASBA Account.

More than one ASBA Investor may apply using the same ASBA Account, provided that SCSBs will not accept a total of more than five CAFs with respect to any single ASBA Accountas provided for under the SEBI circulardated December 30, 2009.

Acceptance of the Issue

You may accept the Issue and apply for the Rights Equity Shares either in full or in part, by filling Part A of the respective CAFs sent by the Registrar, selecting the ASBA process option in Part A of the CAF and submit the same to the SCSB before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors of our Company in this regard.

Mode of payment under ASBA process

The ASBA Investor applying under the ASBA Process agrees to block the entire amount payable on application with the submission of the CAF, by authorising the SCSB to block an amount, equivalent to the amount payable on application, in a bank account maintained with the SCSB.

After verifying that sufficient funds are available in the bank account details of which are provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions from the Registrar. Upon receipt of intimation from the Registrar, the SCSBs shall transfer such amount as per the Registrar’s instruction from the bank account with the SCSB mentioned by the Equity Shareholder in the CAF. This amount will be transferred in terms of the SEBI Regulations, into the separate bank account maintained by our Company as per the provisions of section 40(3) of the Companies Act. The balance amount remaining after the finalisation of the basis of Allotment shall be either unblocked by the SCSBs or refunded to the Investors by the Registrar on the basis of the instructions issued in this regard by the Registrar to the Issue and the Lead Manager to the respective SCSB.

The Investor applying under the ASBA Process would be required to give instructions to the respective SCSBsto block the entire amount payable on their application at the time of the submission of the CAF.

The SCSB may reject the application at the time of acceptance of CAF if the bank account with the SCSB details of which have been provided by the Equity Shareholder in the CAF does not have sufficient funds equivalent to the amount payable on application mentioned in the CAF. Subsequent to the acceptance of the application by the SCSB, our Company would have a right to reject the application only on technical grounds.

Options available to the ASBA Investors applying under the ASBA Process

The summary of options available to the ASBA Investors is presented below. You may exercise any of the following options with regard to the Rights Equity Shares, using the respective CAFs received from Registrar:

Option Available	Action Required
Accept whole or part of your Rights Entitlement without renouncing the balance	Fill in and sign Part A of the CAF *(All joint holders must sign)*
Accept your Rights Entitlement in full and apply for additional Equity Shares	Fill in and sign Part A of the CAF including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares *(All joint holders must sign)*

The ASBA Investors applying under the ASBA Process will need to select the ASBA option process in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the SCSBs with the relevant details required under the ASBA process option and the SCSBs block the requisite amount, then that CAFs would be treated as if the Equity Shareholder have selected to apply through the ASBA process option.

Please note that Equity Shareholders being QIBs and Non-Institutional Investors can participate in this Issue only through the ASBA process. Retail Individual Investors whose application amounts do not exceed ₹ 2,00,000 can participate in this Issue either through the ASBA process or the non ASBA process. Renouncees are not eligible ASBA investors and must only apply for the Rights Equity Shares through the non ASBA process

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above the number of Rights Equity Shares that you are entitled to, provided that you are eligible to apply for Rights Equity Shares under applicable law and you have applied for all the Rights Equity Shares (as the case may be) offered without renouncing them in whole or in part in favour of any other person(s). Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment in consultation withthe Designated Stock Exchange.Applications for additional Rights Equity Shares shall be considered and Allotment shall be made at the sole discretion of the Board, in consultation with the Designated Stock Exchange and in the manner prescribed under "*Terms of the Issue - Basis of Allotment*" on page 220.

If you desire to apply for additional Rights Equity Shares please indicate your requirement in the place provided for additional Rights Equity Shares in Part A of the CAF. The Renouncee applying for all the Rights Equity Shares renounced in their favour may also apply for additional Rights Equity Shares.

Renunciation under the ASBA Process

ASBA Investors can neither be Renouncees nor can renounce their Rights Entitlement.

Application on Plain Paper - ASBA

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper. The Equity Shareholder shall submit the plain paper application to the Designated Branch of SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintainedwith the same SCSB. Applications on plain paper from any address outside India will not be accepted.

The envelope should be superscribed *"*Shri Keshav Cements & Infra Limited – Rights Issue – R*"* in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and *"*Shri Keshav Cements & Infra Limited – Rights Issue – NR*"* in case of non-resident shareholders applying on repatriable basis and should be postmarked in India. The application on plain paper, duly signed by the Investors including joint holders, in the same order as per the specimen recorded with our Company, must reach the SCSBs before the Issue Closing Date and should contain the following particulars:

- Name of Issuer, being Shri Keshav Cements & Infra Limited;
- Name and address of the Equity Shareholder including joint holders;
- Registered Folio Number/DP and Client ID no.;
- Number of Equity Shares held as on Record Date;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;

- Number of additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for;
- Total amount to be blocked at the rate of ₹[●] per Rights Equity Share;
- Except for applications on behalf of the Central or State Government and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of non-resident investors, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Signature of the Shareholders to appear in the same sequence and order as they appear in our records ordepositories records; and
- Additionally, all such applicants are deemed to have accepted the following:

*"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (the "**US Securities Act**") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "**United States**")or to or for the account or benefit of a "U.S. Person" asdefined in Regulation S under the US Securities Act ("**Regulation S**"). I/we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement in the United States. I/we understand that none of the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company has reason to believe is, a resident of the United States or a "U.S. Person" (as definedin Regulation S,) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.*

I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement and/or the Rights Equity Shares is/are, outside the United States, (ii) am/are not a "U.S. Person" as definedin Regulation S, and (iii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Investors are requested to note that CAF or plain paper application with only foreign addresses is liable to berejected on technical grounds. The CAF or plain paper application should contain the Indian address also if foreignaddress is mentioned.

The plain paper application format will be available on the website of the Registrar to the Issue at www.bigshareonline.com

Please note that those who are making the application otherwise than on original CAF shall not be entitled torenounce their rights and should not utilise the original CAF for any purpose including renunciation even if it isreceived subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both theapplications. We shall refund such application amount to the Investor without any interest thereon.

Option to receive Equity Shares in Dematerialised Form

EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES OF OUR COMPANY UNDER THE ASBA PROCESS CAN BE ALLOTTED ONLY IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY SUCH ASBA APPLICANT ON THE RECORD DATE.

Issuance of Intimation Letters

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Equity Shares in this Issue, along with:

- The number of Rights Equity Shares to be allotted against each successful ASBA Application;
- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

General instructions for Equity Shareholders applying under the ASBA Process:

a. Please read the instructions printed on the CAF carefully.

b. Application should be made on the printed CAF only and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer are liable to be rejected. The CAF must be filled in English.

c. ASBA Applicants are required to select this mechanism in Part A of the CAF and provide necessary details, including details of the ASBA Account, authorising the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the CAF, and including the signature of the ASBA Account holderif the ASBA Account holder is different from the Applicant.

d. The CAF/plain paper application in the ASBA Process should be submitted at a Designated Branch of the SCSB and whose bank account details are provided in the CAF and not to the Banker to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to our Company or Registrar or Lead Manager to the Issue.

e. All applicants, and in the case of application in joint names, each of the joint applicants, should mention his/her PAN number allotted under the Income-Tax Act, 1961, irrespective of the amount of the application. Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, CAFs without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which

PAN details have not been verified shall be "suspended credit" and no allotment and credit of Equity Shares pursuant to the Issue shall be made into the accounts of such Investors.

f. All payments will be made by blocking the amount in the bank account maintained with the SCSB. Cash payment or payment by cheque or demand draft or pay order is not acceptable. In case payment is affected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.

g. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Equity Shareholders must sign the CAF as per the specimen signature recorded with our Company/or Depositories.

h. In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company. In case of joint applicants, reference, if any, will be made in the first applicant's name and all communication will be addressed to the first applicant.

i. All communication in connection with application for the Rights Equity Shares, including any change in address of the Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole applicant Equity Shareholder, folio numbers and CAF number.

j. Only persons outside the United States and other restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Equity Shares under applicable securities laws and not Renouncees(s) are eligible to participate.

k. ASBA Investors who intend to subscribe the Rights Equity Shares of our Company under this Issue shall be eligible to participate under the ASBA Process.

l. All Investors (apart from Retail Individual Investors) having bank accounts with SCSBs that are providing ASBA in cities/centres where such Investors are located, are mandatorily required to make use of the ASBA facility. Otherwise, applications of such Investors are liable for rejection. All Investors are encouraged to make use of the ASBA facility wherever such facility is available.

m. In case of non – receipt of CAF, application can be made on plain paper mentioning all necessary details as mentioned under the heading "*Application on Plain Paper - ASBA*" on page 220.

n. In terms of SEBI circulars dated September 13, 2012 and January 2, 2013, SCSBs should ensure that for making applications on own account using ASBA facility, they should have a separate account in own name with any other SEBI registered SCSBs. Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

o. 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 QIBs, Non-Institutional Investors or are applying in the Issue for Equity Shares for an amount exceeding ₹ 2 lakhs shall mandatorily make use of ASBA facility, subject to their fulfilling the eligibility conditions to be an ASBA Investor. Further, all QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 2 lakhs subject to their fulfilling the eligibility conditions to be an ASBA Investor.

p. Only the person or persons to whom the Equity Shares have been offered and not renouncee(s) shall be eligible to participate under the ASBA process.

q. Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

Do's:

- Ensure that the ASBA Process option is selected in the CAF and necessary details are filled in.
- Ensure that you submit your application in physical mode only. Electronic mode is only available with certain SCSBs and not all SCSBs and you should ensure that your SCSB offers such facility to you.
- Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be allotted in the dematerialised form only.
- Ensure that your Indian address is available to our Company and the Registrar, in case you hold equity shares in physical form or the depository participant, in case you hold equity shares in dematerialised form;
- Ensure that the CAFs are submitted at the SCSBs and details of the correct bank account have been provided in the CAF.
- Ensure that there are sufficient funds (equal to [number of Equity Sharesas the case may be applied for] X [Issue Price of Equity Shares, as the case may be]) available in the bank account maintained with the SCSB mentioned in the CAF before submitting the CAF to the respective Designated Branch of the SCSB.
- Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF, in the bank account maintained with the respective SCSB, of which details are provided in the CAF and have signed the same.
- Ensure that you receive an acknowledgement from the SCSB for your submission of the CAF in physical form.
- Except for CAFs submitted on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, each applicant should mention their PAN allotted under the I. T. Act.
- Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.
- Ensure that the Demographic Details are updated, true and correct, in all respects.
- Ensure that the account holder in whose bank account the funds are to be blocked has signed authorising such funds to be blocked.
- Investors are requested to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under applicable law.

Don'ts:

- Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction.

- Do not apply on duplicate CAF after you have submitted a CAF to a Designated Branch of the SCSB.
- Do not pay the amount payable on application in cash, by money order or by postal order.
- Do not send your physical CAFs to the Lead Manager to Issue/Registrar/Collecting Banks (assuming that such Collecting Bank is not a SCSB)/to a branch of the SCSB which is not a Designated Branch of the SCSB/Company; instead submit the same to a Designated Branch of the SCSB only.
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- Do not apply if the ASBA account has been used for five applicants.
- Do not apply through the ASBA Process if you are not an ASBA Investor.
- Do not instruct your respective banks to release the funds blocked under the ASBA Process.

Grounds for Technical Rejection for ASBA Investors

- In addition to the grounds listed under "*Grounds for Technical Rejection for non-ASBA Investors*" on page 220, applications under the ABSA Process are liable to be rejected on the following grounds:
- Application for Allotment of Rights Entitlements or additional shares in physical form (in case the existing holding is in dematerialised form).
- DP ID and Client ID mentioned in CAF not matching with the DP ID and Client ID records available with the Registrar.
- Sending CAF to a Lead Manager/Registrar/Collecting Bank (assuming that such Collecting Bank is not a SCSB)/to a branch of a SCSB which is not a Designated Branch of the SCSB/Company.
- Renouncee applying under the ASBA Process.
- Insufficient funds are available with the SCSB for blocking the amount.
- Funds in the bank account with the SCSB whose details are mentioned in the CAF having been frozen pursuant to regulatory orders.
- Account holder not signing the CAF or declaration mentioned therein.
- CAFs that do not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in restricted jurisdictions and is authorised to acquire the rights and the securities in compliance with all applicable laws and regulations.
- CAFs which have evidence of being executed in/dispatched from restricted jurisdiction.
- Applications by persons not competent to contract under the Contract Act, 1872, as amended, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- Submission of more than five CAFs per ASBA Account.
- Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application.

- Submitting the GIR instead of the PAN.

- An Equity Shareholder, who is not complying with any or all of the conditions for being an ASBA Investor and is not a renouncer or a Renouncee not applying through the ASBA processapplying through the ASBA process.

- Applications by SCSBs not complying with the SEBI circulars dated September 13, 2012 and January 2, 2013, whereby SCSBs need to ensure that for making applications on own account using ASBA facility, they should have a separate account in own name with any other SEBI registered SCSBs. Such account should be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

- If an Investor is (a) debarred by SEBI and/or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlement.

Depository account and bank details for Equity Shareholders applying under the ASBA Process

IT IS MANDATORY FOR ALL THE ELIGIBLE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORMND TO THESAME DEPOSITORY ACCOUNT IN WHICH THE RIGHTS EQUITY SHARES ARE HELD BY THE EQUITY SHAREHOLDER ON THE RECORD DATE. ALL EQUITY SHARE HOLDERS APPLYING UNDER THE ASBA PROCESS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE CAF. EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS MUST ENSURE THAT THE NAME GIVEN IN THE CAF IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE CAF IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE CAF OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Equity Shareholders applying under the ASBA Process should note that on the basis of name of these Equity Shareholders, Depository Participant's name and identification number and beneficiary account number provided by them in the CAF, the Registrar to the Issue will obtain from the Depository demographic details of these Equity Shareholders such as address, bank account details for printing on refund orders and occupation ("**Demographic Details**"). Hence, Equity Shareholders applying under the ASBA Process should carefully fill in their Depository Account details in the CAF.

These Demographic Details would be used for all correspondence with such EquityShareholders including mailing of the letters intimating unblock of bank account of the respective EquityShareholder. The Demographic Details given by the EquityShareholders in the CAF would not be used for any other purposes by the Registrar. Hence, EquityShareholders are advised to update their Demographic Details as provided to their Depository Participants.

By signing the CAFs, the Equity Shareholders applying under the ASBA Processwould be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Letters intimating Allotment and unblocking or refund (if any) would be mailed at the address of the Equity Shareholder applying under the ASBA Process as per the Demographic Details received from the Depositories. Refunds, if any, will be made directly to the bank account linked to the DP ID. Equity Shareholders applying under the ASBA Process may note that delivery of letters intimating unblocking of bank account 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 Equity Shareholder in the CAF would be used only to ensure dispatch of letters intimating unblocking of the ASBA Accounts.

Note that any such delay shall be at the sole risk of the Equity Shareholders applying under the ASBA Process and none of our Company, the SCSBs or the Lead Manager shall be liable to compensate the Equity Shareholder applying under the ASBA Process for any losses caused due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, (a) names of theEquity Shareholders (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary accountnumber, then such applications are liable to be rejected.

Issue Schedule

Issue Opening Date	[●]
Last date for receiving requests for Split Application Forms	[●]
Issue Closing Date	[●]
Finalisation of basis of allotment with the Designated Stock Exchange	**On or about** [●]
Date of Allotment	**On or about** [●]
Initiation of Refunds	**On or about** [●]
Credit of Rights Equity Shares to demat accounts of Allottees	**On or about** [●]
Commencement of trading of Rights Equity Shares on the Stock Exchange	**On or about** [●]

Investors are advised to ensure that the CAFs are submitted on or before the Issue Closing Date. Our Company, the Lead Manager and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of CAFs or on before the Issue Closing Date.

The Board of Directors or a duly authorised committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not be kept open in excess of 30 days from the Issue Opening Date.

Basis of Allotment

Subject to the provisions contained in this Draft Letter of Offer, theLetter of Offer, the Articles of Association of our Company and the approval of the Designated Stock Exchange, the Board will proceed to Allot the Rights Equity Shares in the following order of priority:

(a) Full Allotment to those Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/have applied for Rights Equity Shares renounced in their favour, in full or in part.

(b) Allotment to the Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of the Issue and have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there is an under-subscribed portion after making full Allotment in (a) above. The Allotment of such Rights Equity Shares will be at the sole discretion of the Board or any committee thereof in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

(c) Fractional entitlement if any will be rounded off to the next higher integer and the share required for the same will be adjusted from one of the promoter's entitlement.

(d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour and have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of the Board or any committee thereof in consultation with the Designated Stock Exchange, as a part of the Issue and not preferential Allotment.

(e) Allotment to any other person as the Board may in its absolute discretion deem fit provided there is surplus available after making full Allotment under (a), (b) and (c) above, and the decision of the Board in this regard will be final and binding.

(f) After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to theControlling Branches, a list of the ASBA Investors who have been allocated Rights Equity Shares in the Issue, alongwith:

- The amount to be transferred from the (a) ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

Underwriting

The Issue is not underwritten.

Allotment Advices / Refund Orders

Our Company will issue and dispatch Allotment advice/share certificates/demat credit and/or letters of regret along with refund order or credit the allotted Rights Equity Shares to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and withinsuch time as specified under applicable law.

Investors residing at centers where clearing houses are managed by the RBI will get refunds through National Automated Clearing House ("**NACH**") except where Investors have not provided the details required to send electronic refunds or where the investors are otherwise disclosed as applicable or eligible to get refunds through direct credit and real-time gross settlement ("**RTGS**").

In case of those Investors who have opted to receive their Rights Entitlement in dematerialised form using electronic credit under the depository system, advice regarding their credit of the Rights Equity Shares shall be given separately. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

In case of those Investors who have opted and are entitled to receive their Rights Entitlement in physical form, our Company will issue share certificates under Section 56 of the Companies Act or other applicable provisions, if any. Investors are requested to preserve such letters of allotment, which would be exchanged later for the share certificates.

The letter of allotment / refund order would be sent by registered post/speed post to the sole/first Investors registered address. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favour of the sole/first Investor. Adequate funds would be made available to the Registrar to the Issue for this purpose.

In the case of non-resident Shareholders or Investors who remit their Application Money from funds held in theNRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF. Subject to the applicablelaws and other approvals, in case of Non-resident Shareholders or Investors who remit their application moneythrough Indian Rupee demand drafts purchased from abroad, refund and/or payment of dividend or interest andany other disbursement, shall be credited to such accounts and will be made after deducting bank charges orcommission in US Dollars, at the rate of exchange prevailing at such time. Our Company will not be responsiblefor any loss on account of exchange rate fluctuations for conversion of the Indian Rupee amount into US Dollars.The share certificate(s) will be sent by registered post or speed post to the Indian address of the Non-ResidentShareholders or Investors as provided to our Company.

Payment of Refund

Mode of making refunds

The payment of refund, if any, would be done through any of the following modes:

1) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

2) **NEFT** – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code ("**IFSC Code**"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the registrar to our Company or with the depository participant while opening and operating thedemat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

3) **Direct Credit** – Investors having bank accounts with the Banker to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

4) **RTGS** – If the refund amount exceeds ₹ 2 lakhs, the investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the CAF. In the event the same is not provided, refund shall be made through ECS or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

5) For all other Investors, the refund orders will be despatched through speed post/registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
6) Credit of refunds to Investors in any other electronic manner permissible under the banking laws, which are in force, and are permitted by the SEBI from time to time.

Refund payment to Non- resident

Where applications are accompanied by Indian rupee drafts purchased abroad and payable at Mumbai, refunds will be made in the Indian Rupees based on the U.S. dollars equivalent which ought to be refunded. Indian Rupees will be converted into U.S. dollars at the rate of exchange, which is prevailing on the date of refund. The exchange rate risk on such refunds shall be borne by the concerned applicant and our Company shall not bear any part of the risk.

Where the applications made are accompanied by NRE/FCNR/NRO cheques, refunds will be credited to NRE/FCNR/NRO accounts respectively, on which such cheques were drawn and details of which were provided in the CAF.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders/refund warrants which can then be deposited only in the account specified. We will in no way be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice/Share Certificates/Demat Credit

Allotment advice/share certificates/demat credit or letters of regret will be dispatched to the registered address of the first named Investor or respective beneficiary accounts will be credited within 15 days, from the Issue Closing Date. In case our Company issues Allotment advice, the relative share certificates will be dispatched within one month from the date of the Allotment. Allottees are requested to preserve such allotment advice (if any) to be exchanged later for share certificates.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send tothe Controlling Branches, a list of the ASBA Investors who have been allocated Rights Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company forthe Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBAAccounts.

Option to receive Equity Sharesin Dematerialised Form

Investors shall be allotted the Rights Equity Shares in dematerialised (electronic) form at the option of the Investor. We have signed a tripartite agreement with NSDL on July 10, 2000 and with CDSL on June 2, 2000 which enables the Investors to hold and trade Equity Shares in a dematerialised form, instead of holding the Equity Shares in the form of physical certificates. The ISIN number of the Equity Shares is INE579B01039.

In this Issue, the allottees who have opted for Equity Shares in dematerialised form will receive their Rights Equity Shares in the form of an electronic credit to their beneficiary account as given in the CAF, after verification with a depository participant. Investor will have to give the relevant particulars for this purpose in the appropriate place in the CAF. Allotment advice, refund order (if any) would be sent directly to the Investor by the Registrar to the Issue but the Investor's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Investor's depository account. CAFs, which do not accurately contain this information, will be given the Rights Equity Shares in physical form. No separate CAFs for Rights Equity Shares in physical and/or dematerialised form should be made.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALISED FORM.

The procedure for availing the facility for Allotment of the Rights Equity Shares in this Issue in the electronic form is as under:

- Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. *Those Equity Shareholders who have already opened such beneficiary account(s) need not adhere to this step.*

- For Equity Shareholders already holding Equity Shares in dematerialised form as on the Record Date, the beneficial account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive their Equity Shares by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF. It may be noted that the Allotment of Equity Shares arising out of this Issue may be made in dematerialised form even if the original Equity Shares are not dematerialised. Nonetheless, it should be ensured that the depository account is in the name(s) of the Equity Shareholders and the names are in the same order as in our records.

- The responsibility for correctness of information (including Investor's age and other details) filled in the CAF vis-à-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in CAF should be the same as registered with the Investor's depository participant.

- If incomplete/incorrect beneficiary account details are given in the CAF, then such shares will be credited to a demat suspense a/c which shall be opened by our Company as specified in the SEBI circular no. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009.

- TheRights Equity Shares allotted to applicants opting for issue in dematerialised form, would be directly credited to the beneficiary account as given in the CAF after verification. Allotment advice, refund order (if any) would be sent directly to the applicant by the Registrar to the Issue but the applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the applicant's depository account. It may be noted that Rights Equity Shares in electronic form can be traded only on the Stock Exchange having electronic connectivity with NSDL or CDSL.

- Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the application is liable to be rejected.

- Non-transferable allotment advice/refund orders will be directly sent to the Investors by the Registrar.

- Dividend or other benefits with respect to the Rights Shares held in dematerialised form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Investment by FPIs sand NRIs

On January 7, 2014, the SEBI (Foreign Portfolio Investors) Regulations, 2014 ("**SEBI FPI Regulations**") were notified by SEBI pursuant to which FIIs, its sub-accounts andQFIs categories of investors were merged to form a new category called 'Foreign Portfolio Investors'.
Under the SEBI FPI Regulations, purchase of equity shares by an FPI or an investor group should be below 10% ofthe total issued capital of an Indian company.

Under the FEMA 20, 2017, no single FPI can hold morethan 10% of the paid up capital of an Indian company and the total equity share holding of all FPIs put together in acompany is subject to a cap of 24% of the paid up capital of the company. The aggregate limit of 24% can beincreased up to the applicable sectoral cap by passing a resolution by the board of the directors followed by passinga special resolution to that effect by the shareholders of the company.

The investments by NRIs are governed by the Regulation 5(3) and Regulation 3(4) of the FEMA 20, 2017.

Our Board of Directors and the Shareholders of our Company have on May 10, 2018 and July 2018 approved increasing the FPI and NRI investment limit to 100% and 24%, respectively. Further, our Company has on August 1, 2018 informed the Reserve Bank of India about the increase in limits with a request to take this on record and notify the increased limits.

Under the FPI Regulations and subject to compliance with all applicable Indian laws, FPIs may issue, subscribe orotherwise deal in offshore derivative instruments (defined under the FPI Regulations as any instrument, by whatevername called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed onany recognised stock exchange in India, as its underlying security), directly or indirectly, only in the event (i) suchoffshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatoryauthority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' normsand (iii) shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by residents Indian or NRIs.

Further, Category II FPIs under the SEBI FPI Regulations which are unregulated broad based funds and Category IIIFPIs under the SEBI FPI Regulations shall not issue, subscribe or otherwise deal in such offshore derivativeinstruments directly or indirectly. In addition, FPIs are required to ensure that further issue or transfer of anyoffshore derivative instruments by or on behalf of it is made only to person regulated by an appropriate foreignregulatory authority.

Investment by AIFs, FVCIs and VCFs

The SEBI (Venture Capital Funds) Regulations, 1996, as amended ("SEBI VCF Regulations") and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended ("SEBI FVCI Regulations") prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 ("SEBI AIF Regulations") prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue.

Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations.

Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection

Applications will not be accepted from FPIs in restricted jurisdictions.

FPIs which are QIBs, Non-Institutional Investors or whose application amount exceeds ₹2 lakhs can participate inthe Rights Issue only through the ASBA process. Further, FPIs which are QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹2 lakhs.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with the SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate ofregistration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) networth certificate from itsstatutory auditors or any independent chartered accountant based on the last audited financial statements is requiredto be attached to the application.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who—*
- *(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name shall be liable for action under section 447*."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 1.00 million or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 1.00 million or 1.00% of the turnover of the Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 2.00 million or with both.

Payment by stock invest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock investScheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Disposal of application and application money

No acknowledgment will be issued for the application moneys received by our Company. However, the Banker to the Issue/Registrar to the Issue/SCSBs receiving the CAF will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF.

The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the application money received will be refunded. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on Rights Equity Shares allotted, will be refunded to the Investor within a period of 15 days from the Issue Closing Date. Incase of failure to do so, our Company shall pay interest at such rate and within such time as specified underapplicable law.

For further instructions, please read the CAF carefully.

Utilisation of Issue Proceeds

The Board of Directors declares that:

a. All the monies received out of the Issue shall be transferred to a separate bank account.

b. Details of the all monies utilised out of the Issue, referred to in sub-item (a), shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised.

c. Details of all unutilised monies out of the Issue, if any, referred to in sub-item (a), shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

d. Our Company shallutilise the funds collected in this Issue only after the approval of the Basis of Allotment is finalised.

Undertakings by our Company

Our Company undertakes the following:

a. The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.

b. All steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are to be listed will be taken within seven working days of finalisation of basis of allotment.

c. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in this Draft Letter of Offer shall be made available to the Registrar to the Issue by our Company.

d. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.

e. Adequate arrangements shall be made to collect all ASBA applications and to consider them similar to non-ASBA applications while finalising the Basis of Allotment.

f. The certificates of the securities/refund orders to the non-resident Indians shall be dispatched within the specified time.

g. No further issue of securities affecting equity capital of our Company shall be made till the securities issued/offered through this Draft Letter of Offer Issue are listed or till the application monies are refunded on account of non-listing, under-subscription etc.

h. At any given time, there shall be only one denomination of Equity Shares of our Company.

i. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time**.**

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, we shall refund the entire subscription amount received within 15 days from the Issue Closing Date. In the event that there is a delay of making refunds beyondsuch period as prescribed by applicable laws, our Company shall pay interest for the delayed period at ratesprescribed under applicable laws.

Important

- Please read this Draft Letter of Offer and the Letter of Offer carefully before taking any action. The instructions contained in the accompanying CAF are an integral part of the conditions of this Draft Letter of Offer and the Letter of Offer and must be carefully followed; otherwise the application is liable to be rejected.

- All enquiries in connection with this Draft Letter of Offer or the Letter of Offer or accompanying CAF and requests for SAFs must be addressed (quoting the Registered Folio Number/DP and Client ID number, the CAF number and the name of the first Equity Shareholder as mentioned on the CAF and superscribed **"Shri Keshav Cements & Infra Limited -Rights Issue**" on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

  BIGSHARE SERVICES PRIVATE LIMITED
  Address:1st Floor, Bharat Tin Works Building Opp. Vasant Oasis,
  Makwana Road Marol, Andheri (East) Mumbai 400059
  Tel: +91 22 6263 8200
  Fax: +91 22 6263 8299
  Email: ipo@bigshareonline.com
  Investor grievance email: investor@bigshareonline.com
  Contact Person: Ashok Shetty
  Website: www.bigshareonline.com
  SEBI Registration Number: INR000001385

It is to be specifically noted that the Issue of Rights Equity Shares is subject to the risk factors mentioned in sectiontitled "*Risk Factors*" on page 14.

The Issue will remain open for minimum 15 days. However, the Board will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

SECTION IX – STATUTORY AND OTHER INFORMATION

ARTICLES OF ASSOCIATION

The main provisions of the Articles of Association of the Issuer are as follows:

SHARE CAPITAL

Article 3 provides that "The Authorised Share Capital of the company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force on that behalf with the powers to divide the share capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such manner as may for the time being be provided by the Regulations of the Company and allowed by law."

Article 4 provides that "Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board of Directors, who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such time as they think fit and with full power to give any person the option to call of or be allotted shares of the Company of any class, either at a premium or at par and for such time and for such consideration as the Board of Directors think fit (subject to the provisions of Section 53, 54, 56 and 58 of the Act), provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting. The Board shall cause to be made the returns as the allotment provided for in Section 39 of the Act."

Article 5 provides that "Subject to the provisions of this Articles and the Act, the Shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Directors shall think fit and with full power to give any person the option to call for or be allotted share of any class of the Company at the par or premium and for such time and for such consideration as the Directors think fit, provided that option or right to call of shares shall not be given to any person without the sanction of the Company in General Meeting."

Article 6 provides that "If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section48 of the Act, the consent in writing of the holders of three fourths of the issued shares of that class or with a sanction of a special resolution passed at a separate meeting of the holders of the shares of that class."

Article 7 provides that "The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith."

Article 8 provides that :

(1) "The company may exercise the powers of paying commissions conferred by Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Section.

(2) The rate of commission shall not exceed the rate of 5% (five percent) of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 5% (five percent) of such price, as the case may be and in the case of debentures 2.5% (two and a half per cent) of the price at which the debentures in respect whereof the same is paid are issued or an amount equal to 2.5% (two and a half per cent) of such price, as the case may be.

(3) The commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

(4) The Company may also, on any issue of shares, pay such brokerage as may be lawful."

Article 9 provides that:

(1) "Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment (or within such other period as the conditions of issue shall provide) or within one month after the application for the registration of transfer is received by the Company.

(a) One certificate for all his shares without payment, or

(b)Several certificates, each for one or more of his shares, provided that any subdivision, consolidation or splitting of certificates required in marketable lots shall be done by the Company free of any charges.

(2) Every certificate shall specify the shares to which it relates and the amount paid up thereon.

(3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders."

Article 10 provides that "The Company agrees, that it will not charge any fees exceeding those which may be agreed upon with the Stock Exchange.
(i) for issue of new certificates in replacement of those that are torn out, defaced lost or destroyed;
(ii) for sub-division and consolidation of shares and debenture certificates and for subdivision of Letters of Allotment and Split, Consolidation, Renewal and Pucca Transfer Receipts into denominations other than those fixed for the market units of trading."

Article 11 provides that "If any shares stands in the names of two or more persons, the person first named in the register of members shall as regards receipt of dividends, the service of notices and subject to the provisions of these Articles, all or any other matter connected with the Company except the issue of share certificates, voting at meeting and the transfer of the share, be deemed the sole holder thereof."

DEMATERIALISATION OF SHARES

Article 12 provides that "Notwithstanding anything contained in these regulations, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialised form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debenture holders/ other Securityholders with the details of members/ debenture holders/ other securityholders holding shares, debentures or other securities both in materialized and dematerialised form in any media as permitted by the Act."

Article 13 provides that "Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter inits records the name of the allottee as the Beneficial Owner of the Security."

Article 14 provides that "Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of theshares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof."

Article 15 provides that "In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply."

Article 16 provides that "Provided that in respect of the shares and securities held by the depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act shall apply so far as applicable."

Article 17 provides that "Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf."

Article 18 provides that "Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act."
Provided that nothing contained in Article 25 shall apply to the transfer of shares, debentures or other marketable securities affected by the transferor and the transferee, both of whom are entered as beneficial owners in the record of the Depository.

Lien

Article 19 provides that "Subject to the provisions of Companies Act, 2013 the Company shall have a first and paramount lien upon all the shares (not being a fully paid up share) for all monies (presently payable) registered in the name of such member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually lien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to section 123 of the Companies Act 2013. The Board of Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this clause."

Article 20 provides that "The Company may sell, in such manner as the Board think fit, any share on which the Company has a lien provided that no sale shall be made:-

(a) unless a sum in respect of which the lien exists is presently payable; or

(b)until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency."

Article 21 provides that

"(1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
(2) The purchaser shall be registered as the shareholder of the shares comprised in any such transfer.
(3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale."

Article 22 provides that

"(1) The proceeds of the sale shall be received by the company and applied in payment of the whole or part of the amount in respect of which the lien exist as is presently payable.
(2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the

shares as the date of sale, be paid to the person entitled to the shares at the date of the sale."

Calls on shares

Article 23 provides that

"(1) The Board of Directors may, from time to time, make calls upon the members in respect of money unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(2) Each member shall, subject to receiving at least Fourteen days notice specifying the time or times and place of payment of the call money pay to the Company at the time or times and place so specified, the amount called on his shares.

(3) A call may be revoked or postponed at the discretion of the Board."

Article 24 provides that "A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed. Call money may be required to be paid by installments."

Article 25 provides that "The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof."

Article 26 provides that

"(1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent or at such lower rate, if any as the Board may determine.

(2) The Board shall be at liberty to waive payment of any such interest wholly or in part."

Article 27 provides that

"(1) Any sum which by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the shares or by way of premium, shall for purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(2) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified."

Article 28 provides that "Subject to the provisions of Section 50 and 179 of the Act, the Board:-

(a) May, if it thinks fit, receive from any member willing to advance all or any part of the money uncalled and unpaid upon any shares held by him; and

(b)If it thinks fit, may pay interest upon all or any of the moneys advanced on uncalled and unpaid shares (until the same would but for such advance become presently payable) at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve percent) per annum as may be agreed upon between the Board and the member paying the sums or advances, Money so paid in advance shall not confer a right to dividend or to participate in profits."

Article 29 provides that "On the trial or hearing on any suit or proceedings brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of members of the company as a holder or one of the holders of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who resolved to make any call, nor that a quorum of Directors was present at Board Meeting at which any call was resolved to be made, nor that the meeting at which any call was resolved to be made was duly convened or constituted nor any other matter, but the proof of the matters aforesaid shall be conclusive evidence of the debt."

Article 30 provides that “Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall, preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.”

Article 31 provides that “The provisions of these regulations relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.”

Transfer and Transmission of Securities

Article 32 provides that “The Company shall keep a "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share(s) or securities.”

Article 33 provides that

“(1) the instrument of transfer of any securities in the Company shall be executed by or on behalf of both the transferor and the transferee.

(2) The transferor shall be deemed to remain a holder of the security until a properly signed deed of transfer is received by the Company within 2 months of its execution and proper note thereof has been taken and name of transferee has been entered in the Register of Members/Securities, as the case may be.”

Article 34 provides that “The instrument of transfer shall be in writing and all the provisions of Companies Act 2013 and modification thereof for the time being shall be complied with in respect of all transfers of shares and registration thereof.”

Article 35 provides that “Unless the Directors decide otherwise, when an instrument of transfer is tendered by the transferee, before registering any such transfer, the Directors shall give notice by letter sent by registered acknowledgement due post to the registered holder that such transfer has been lodged and that unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office within ten days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder, the Directors shall be deemed to have decided not to give notice and in any event to the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Directors in respect of such non-receipt.”

Article 36 provides that “The Board of Directors may, subject to the right of appeal conferred by Section 58 of the Companies Act, 2013 decline to register:-

(a) the transfer of a share not being a fully paid up share, to a person of whom they do not approve; or

(b)any transfer of the share on which the Company has a lien, provided that the registration transfer shall not be refused on the ground of transferor being either alone or jointly with any person or persons indebted to the Company on any account except a lien.”

Article 37 provides that “The Board may decline to recognise any instrument of transfer unless:-

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b)the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c)the instrument of transfer is in respect of only one class of shares.”

Article 38 provides that “All instruments of transfer which shall be registered shall be retained by the Company, but may be destroyed upon the expiration of such period as the Board may from time to time determine. Any instrument of transfer which the Board declines to register shall (except in any case of fraud) be returned to the person depositing the same.”

Article 39 provides that:

"(a) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

(b) There shall be no charge for:

(a) registration of shares or debentures.

(b)sub-division and/or consolidation of shares and debentures certificates and sub-division of Letters of Allotment and split consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit or trading;

(c) sub-division of renounceable Letters of Right;

(d)issue of new certificates in replacement of those which are decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised;

(e) registration of any Powers of Attorney, Letter of Administration and similar other documents."

Article 40 provides that:

"(a) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(b) Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons."

Article 41 provides that:

"(a)Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:-

(i) to be registered himself as holder of the share; or

(ii)to make such transfer of the share as the deceased or insolvent member could have made.

(b)The Board shall, in either case, have the same right to decline or suspend registrationas it would have had, if the deceased or insolvent member had transferred the share beforehis death or insolvency"

Article 42 provides that:

"(a) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(c)All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

Article 43 provides that: "On the transfer of the share being registered in his name a person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

Article 44 provides that: “Where the Company has knowledge through any of its principal officers within the meaning of Section 2 of the Estate Duty Act, 1953 of the death of any member of or debenture holder in the company, it shall furnish to the controller within the meaning of such section, the prescribed particulars in accordance with that Act and the rules made thereunder and it shall not be lawful for the Company to register the transfer of any shares or debentures standing in the name of the deceased, unless the transferor has acquired such shares for valuable consideration or a certificate from the Controller is produced before the Company to the effect that the Estate Duty in respect of such shares and debentures has been paid or will be paid or that none is due, as the case may be.

Article 45 provides that: “The Company shall incur liability whatever in consequence of its registering or giving effect, to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title of interest to or in the said 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 required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability 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 though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.”

Forfeiture of shares

Article 46 provides that: “If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.”

Article 47 provides that: “The notice aforesaid shall:-

(a) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b)state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.”

Article 48 provides that: “If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the date of forfeiture, which shall be the date on which the resolution of the Board is passed forfeiting the shares.”

Article 49 provides that:

“(1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(2) At any time before a sale or disposal, as aforesaid, the Board may annul the forfeiture on such terms as it thinks fit.”

Article 50 provides that:

“(1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at date of forfeiture, were presently payable by him to the Company in respect of the shares together with interest thereon from the time of forfeiture until payment at the rate of 9 % (nine percent) per annum.

(2) The Liability of such person shall cease if and when the Company shall have received payments in full of all such money in respect of the shares.”

Article 51 provides that:
"(*i*) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(*ii*) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(*iii*) The transferee shall thereupon be registered as the holder of the share; and

(*iv*) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share."

Article 52 provides that: "The provisions of these regulations as to forfeiture shall apply, in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified."

Article 53 provides that: "The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental thereto except only such of those right as by these Articles are expressly saved."

Article 54 provides that: "Upon any sale, after forfeiture or for enforcing a lien in purported exercise of 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 in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to be application of the purchase money and after his name has been entered in the Register 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."

Article 55 provides that: "Upon any sale, re-allotment or other disposal under the provisions of these Articles relating to lien or to forfeiture, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect. When any shares, under the powers in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former holder of such shares, the Board may, issue a new certificate for such shares distinguishing it in such manner as it may think fit, from the certificate not so delivered."

Article 56 provides that: "The Directors may subject to the provisions of the Act, accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof."

Article 57 provides that: "The provisions of these regulations relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company."

POWERS OF BOARD OF DIRECTORS

Article 108 provides that: "The Board of directors may pay all expenses incurred in the formation, promotion and registration of the Company."

Article 109 provides that: "The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit with respect to the keeping of any such register."

Article 110 provides that: "The Directors may enter into contracts or arrangements on behalf of the Company subject to the necessary disclosures required by the provisions of Section 184 of the Act being made wherever any Director is in any way, whether directly or indirectly concerned or interested in the contract or arrangements."

BORROWING POWER

Article 111 provides that:"Subject to the provisions of Sections 73, 76,179, and 180 of the Act, and the Regulations thereunder and Directions issued by the RBI, Directors may exercise all the powers of the company to borrow money and to mortgage or charge its undertaking, property (both present and future), or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party."

Article 112 provides that: "The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit subject to the provisions of Section 73 & 76 of the Act and rules framed thereunder.

Article 113 provides that: "All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine."

THE SEAL

Article 131 provides that:

"a) The Board shall provide for the safe custody of the seal.

b) The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution 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."

DIVIDENDS AND RESERVES

Article 132 provides that: "The Company in General meeting may declare dividends but no dividend shall exceed the amount recommended by the Board."

Article 133 provides that: "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."

Article 134 provides that:

> "(i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.
> (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve."

Article 135 provides that:

> "(i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares

in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii)All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect ofwhich 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."

Article 136 provides that:

"(i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent."

Article 137 provides that: "Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share."

Article 138 provides that: "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."

Article 139 provides that: "No dividend shall bear interest against the Company, irrespective of the reason for which it has remained unpaid.

Capitalisation of Profits

Article 142 provides that:"The company in General Meeting may, upon the recommendation of the Board resolve:-

(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

(b)that such sum be accordingly set free for distribution in the manner specified in clause (2) among the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) the sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3), either in or towards:-

(i)paying up any amounts for the time being unpaid on any shares held by such members respectively;

(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

(iii)partly in the way specified in sub-clause (i) and partly in that is specified in sub-clause (ii).

(3) Any share/securities premium account and any capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation."

Article 143 provides that:

"(1) whenever such as resolution as aforesaid shall have been passed, the Board shall:-

(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

(b)do all acts and things required to give effect thereto.

(2) The Board shall have full power:-

(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit in the case of shares becoming distributable infractions; and also

(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 profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(3) Any agreement made under such authority shall be effective and binding on all such members.

(4) Subject to the provisions of the Companies Act, no member shall be entitled to require discovery of any information respecting any detail of the Company's trading or any matter in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board of Directors it may be inexpedient in the interest of the Company to communicate to the public."

WINDING UP

Article 144 provides that: "Subject to the provisions of Chapter XX of the Act and rules made thereunder: -

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii)For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii)The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability."

INDEMNITY

Article 145 provides that:"Subject to the provisions of Companies Act 2013, every Director, Manager, Auditor, Secretary and other officers or servants of the Company shall be indemnified, out of the assets of the Company against any bonafide liability incurred by him in defending any bonafide proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquired or in connection with any application under section 463 of the Companies Act 2013, in which relief is granted to him by the Court."

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts referred to in para (A) have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer.

Copies of the above mentioned contracts and also the documents for inspection referred to in para (B), may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Daysfrom the date of this Draft Letter of Offer until the closure of the subscription list.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

(A) MATERIAL CONTRACTS

1. Issue Agreement dated September 26, 2018 between our Company and Keynote Corporate Services Limited, Lead Manager to the Issue;
2. Agreement dated September 1, 2018 between our Company and M/s. Bigshare Services Private Limited, Registrar to the Issue

(B) DOCUMENTS FOR INSPECTION

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated March 17, 1993.
3. Fresh certificate of incorporation dated November 6, 2007 pursuant to the change of name from 'Katwa Udyog Limited' to 'Shri Keshav Cements & Infra Limited'.
4. Copy of the resolution of the Board of Directors under Section 62 of the Companies Act passed in its meeting dated September 21, 2017 authorizing the Issue and resolution passed meeting dated July 11, 2018 modifying the object of the issue
5. Consents of the Directors, Company Secretary and Compliance Officer, Legal Advisors to the Issue, Statutory Auditor, Lead Manager to the Issue, Banker to our Company and Registrar to the Issue to include their names in the Offer Document to act in their respective capacities;
6. Annual reports of our Company for the financial years ended March 31, 2014, 2015, 2016, 2017 and 2018;
7. Unaudited financial results for the quarter ended June 30, 2018.
8. The Report of the Statutory Auditors being, M/s. Singhi & Co., Chartered Accountants, as set out herein dated September 24, 2018 relating to the audited financial information of our Company.
9. A statement of tax benefits dated September 25, 2018 received from M/s. Singhi & Co., Chartered Accountants, Statutory Auditor regarding tax benefits available to our Company and its shareholders;
10. Certificate dated September 25, 2018 from M/s Singhi & Co., Chartered Accountants, Statutory Auditors regarding "Sources & deployment of funds";
11. Tripartite Agreement between our Company, National Securities Depository Ltd. (NSDL) and Registrar to the Issue;

12. Tripartite Agreement between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;
13. Due Diligence Certificate dated September 28, 2018 by Keynote Corporate Services Ltd., Lead Manager to the Issue;
14. In-principle listing approval(s) dated [•] from BSE Limited;
15. Observation letter no. [•] dated [•] received from SEBI;

Any of the contracts or documents mentioned in the Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Offer Document is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules made thereunder or guidelines or regulations issued, as the case may be. We further certify that all the disclosures and statements in this Offer Document are true and correct.

Name	Signature
Venkatesh Katwa *Executive Director & Chairman*	
Vilas H Katwa *Managing Director*	
Satish D Kalpavriksha *Director*	
Radhika Pinal Dewani *Independent Director*	
Balasaheb Anantrao Mestri *Independent Director*	
Deepak H Katwa *Director- Chief Financial Officer*	
Santhosh Shadadal *Company Secretary & Compliance Officer*	

Place: Belgaun

Date: September 28, 2018