



POM HYDRO ENERGY LIMITED

Our Company was incorporated as 'POM SEF Hydro Energy Limited' on September 5, 2013 under the Companies Act, 1956, with the Registrar of Companies, Himachal Pradesh and received a Certificate of Commencement of Business on March 26, 2014. The name of the Company was subsequently changed to "POM Hydro Energy Limited" pursuant to a special resolution passed by the shareholders of our Company in the EGM held on June 19, 2015. A fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Himachal Pradesh on July 15, 2015.

Registered Office: 131/06 Samkhetar Bazar, Mandi, Himachal Pradesh – 175 001.
Tel: 01905-222106
Corporate Office: 302, Jyoti Sikhar Building, 8 District Centre, Janak Puri, New Delhi – 110 058
Tel: 91-11-64300125-40 **Fax:** 91-11-25591222
Contact Person: Mr. Rajesh Kumar Keshry, Company Secretary and Compliance Officer,
E-mail: rkeshry@purioilmills.com **Website:** www.pomhydroenergy.com
Corporate Identification Number: U40109HP2013PLC000514

PROMOTERS OF OUR COMPANY: MR. VIVEK PURI, MRS. INDU PURI, MRS. SHALINI PURI AND PURI OIL MILLS LIMITED

PUBLIC ISSUE OF 28,84,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF POM HYDRO ENERGY LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UPTO ₹ [●] LACS. OF THE ISSUE, 1,46,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH FOR A CASH PRICE OF [●] PER EQUITY SHARE, AGGREGATING TO [●] LACS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 27,38,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AT AN ISSUE PRICE OF [●] PER EQUITY SHARE AGGREGATING TO [●] LACS. THE PUBLIC ISSUE WILL CONSTITUTE 26.38% OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 231 OF THIS DRAFT PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH. THE ISSUE PRICE IS ₹ [●] PER EQUITY SHARE AND IS [●] TIMES OF THE FACE VALUE.

THIS PUBLIC ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME (THE "SEBI ICDR REGULATIONS"). FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "ISSUE RELATED INFORMATION" BEGINNING ON PAGE 231 OF THIS DRAFT PROSPECTUS.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 240 of this Draft Prospectus.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times the face value. The Issue Price (determined and justified by our Company, in consultation with the the Lead Manager and as stated under the chapter "Basis for Issue Price" beginning on page 77 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/ or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire 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 Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 17 of this Draft Prospectus.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of the Company, including those being offered through this Draft Prospectus, are proposed to be listed on the SME Platform of BSE Limited ("BSE") and traded in the SME Continuous Normal Market. Our Company has received an 'in-principle' approval from BSE for the listing of the Equity Shares pursuant to the letter dated [●]. For the purpose of this Issue, the Designated Stock Exchange shall be BSE.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE

KEYNOTE

BEETAL

KEYNOTE CORPORATE SERVICES LIMITED
The Ruby, 9th Floor, Senapati Bapat Marg,
Dadar (West), Mumbai – 400 028
Tel: +91 22 3026 6000-10
Fax: +91-22-30266088
Email: mbd@keynoteindia.net
Website: www.keynoteindia.net
Contact Person: Mr. Akhil Mohod
SEBI Registration No: INM 000003606

BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED
Beetal House, 3rd floor, 99, Madangir, Behind Local Shopping Centre,
New Delhi – 110 062
Tel: 011-29961281-283
Fax: 011-29961284
Email: beetal@beetalfinancial.com
Website: www.beetalfinancial.com
Contact Person: Mr. Punit Mittal
SEBI Registration Number: INR000000262

ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]



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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires the following terms in this Draft Prospectus have the meaning given below:

General Terms

Term	Description
POM Hydro Energy Limited / PHEL / POM Hydro/ The Company / Company / We / Us / Our / Our Company / The Issuer	Unless the context otherwise indicates or implies refers to POM Hydro Energy Limited a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the state of Himachal Pradesh.
Promoter(s)	The Promoters for our Company: <ul style="list-style-type: none"> • Mr. Vivek Puri • Mrs. Indu Puri • Mrs. Shalini Puri • Puri Oil Mills Limited
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(zb) of the SEBI ICDR Regulations and Section 2(77) of Companies Act read with Rule 4 of Companies (Specification of definition details) Rules, 2014 as disclosed in the Chapter titled “Our Promoter, Promoter Group and Group Companies” on page no. 137 of this Draft Prospectus.
Group Companies/ Entities	Puri Oil Mills Limited M/s. J.K.Puri, HUF Puri Captive Eenergy Pvt. Ltd. Indu Bio Products Limited.

Company Related Terms

Term	Description
AOA/ Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of POM Hydro Energy Limited, as amended from time to time.
Auditor of the Company (Statutory Auditor)	The Statutory Auditors of POM Hydro Energy Limited being : M/s Amit Ray & Co, Chartered Accountants, Allahabad. 5-B, Sardar Patel Marg, Civil Lines, Allahabad, Uttar Pradesh – 211001.
Audit Committee	The Audit Committee as constituted
Bankers to our Company	State Bank of India (SBI), SME Industrial Complex Branch, Bahadurgarh – 124507, Haryana
Board of Directors / Board/ our Board/ the Board	The director(s) on our Board, unless otherwise specified. For further details of our Directors, please refer to section titled “Our Management” beginning on page 125 of this Draft Prospectus.
CIN	Company Identification Number
Companies Act/ Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t sections which have not yet been replaced by the Companies Act, 2013 through any official notification.



Term	Description
Companies Act, 1956	The Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications there under
Company Secretary and Compliance Officer	Mr. Rajesh Kumar Keshry
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
DIN	Directors Identification Number
Director(s)/ our Directors	Director(s) of POM Hydro Energy Limited, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹10 /- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company.
Group Companies	Includes those companies, firms and ventures promoted by our Promoter and have been disclosed in the chapter titled “Our Group Entities” beginning on page 141 of this Draft Prospectus.
General Information Document (GID)	The General Information Document for investing in Public Issues prepared and issued in accordance with SEBI circular CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI read with SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015
GIR Number	General Index Registry Number
ISIN	International Securities Identification Number. In this case being [●].
IT Act	The Income-tax Act, 1961 as amended till date.
Indian GAAP	Generally Accepted Accounting Principles in India.
Key Management Personnel/KMP	Key management personnel of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page 125 of this Draft Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board in accordance with the requirements of the SEBI ICDR Regulations.
MOA/ Memorandum of Association / Memorandum	Memorandum of Association of POM Hydro Energy Limited
Nomination and Remuneration Committee	The Nomination and Remuneration Committee as constituted
PML Act	Prevention of Money Laundering Act, 2002
Registered Corporate Office and	The Registered Office of our company is located at: 131/06 Samkhetar Bazar, Mandi, Himachal Pradesh - 175001. The Corporate office of our Company is located at: 302, Jyoti Sikhhar Building, 8 District, Center Janak Puri, New Delhi-110058.
RoC	The office of the Registrar of Companies, Himachal Pradesh
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
SEBI ICDR Regulations, 2009/ SEBI ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended,



Term	Description
Regulations	including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SME Platform of BSE/ Stock Exchange	The SME platform of BSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations.
SEBI Insider Trading Regulations	Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Stakeholder's Relationship Committee	The Stakeholder's Relationship Committee as constituted
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited.
Sub – Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.

Issue Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment/ Allot/ Allotted/ Allotment of Equity Shares	Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been offered/ allotted.
Applicant/Investor	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus and the Application form.
Application	An Indication to make an Issue during the Issue Period by an Applicant pursuant to submission of an Application form, to subscribe for or purchase our Equity Shares at Issue Price, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Draft Prospectus.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by all Applicants to make an Application authorizing a SCSB to block the application amount in the ASBA Account



Term	Description
	maintained with such SCSB. Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA process.
ASBA Account	Account maintained by an ASBA Applicant/Investor with an SCSB which will be blocked by such SCSB to the extent of the appropriate Application Amount of the ASBA Applicant/Investor and as defined in the Application Form.
ASBA Applicant	Any Applicant who intends to apply through ASBA Process.
Banker(s) to the Company	State Bank of India
Banker(s) to the Issue Escrow Collection Bank/ Public Issue Account Bank/ Refund Bank	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [●]
Banker(s) to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be allotted described in the chapter titled "Issue Procedure- Basis of Allotment" beginning on page 240 of this Draft Prospectus
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker.
Business Day	Monday to Friday (except public holidays).
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the ASBA Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, Occupation and Bank Account details.
Depository/ Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, being CDSL and NSDL.
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com



Term	Description
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated Date	The date on which the SCSBs shall transfer the funds from ASBA accounts into the Public Issue Account or Refund Account as appropriate after the Prospectus is filed with the RoC, following which the Board of Directors shall allot Equity Shares to successful Applicants in the Issue.
Designated Intermediaries /Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	Keynote Capitals Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated Stock Exchange	SME platform of BSE
Draft Prospectus / DP	This Draft Prospectus issued in accordance with Section 32 of the Companies Act and filed with the BSE under SEBI ICDR Regulations.
Eligible NRIs	A NRI from such a jurisdiction outside India where it is not unlawful to make an issue or invitation under this Issue and in relation to whom this Draft Prospectus will constitute an invitation to Application on the basis of the terms thereof.
Equity Shares(s)	Equity Shares of our Company of ₹10/- each.
FII/ Foreign Institutional Investor	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors/FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000.
FPI/ Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
IPO	Initial Public Offering.
Issue/Issue size/ initial public issue/Initial Public Offer/Initial Public Offering/ Offer/Issue	Public Issue of 28,84,000 Equity Shares of ₹ 10/- each ("Equity Shares") of POM Hydro Energy Limited ("POM Hydro" or the "Company" or the "Issuer") for cash at a price of ₹ [●] per share (the "Issue Price"), aggregating to ₹ [●] ("the Issue")
Issue Agreement	Agreement dated January 22, 2018 between our Company and Lead Manager
KCSL	Keynote Corporate Services Limited.
Key Management Personnel	The personnel listed as key management personnel in "Our Management" on page no. 125 of this Draft Prospectus.
LM/ Lead Manager	Lead Manager to the Issue, in this case being Keynote Corporate Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE.
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the BSE SME Platform. In our case, Keynote Capitals Limited is the sole Market Maker.



Term	Description
Market Making Agreement	The Market Making Agreement dated [●] between our Company and Market Maker Keynote Capitals Limited.
Market Maker Reservation Portion	The reserved portion of 1,46,000 Equity Shares of ₹10/- each fully paid up for cash at an Issue price of ₹[●]/- each aggregating to ₹[●] Lacs to be subscribed by Market Maker in this Issue.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.
Non-Institutional Investors/ Applicant	Investors other than Retail Individual Investors, NRIs, QFIs and QIBs who apply for the Equity Shares of a value of more than ₹2,00,000/-.
NR/Non-Resident	A person resident outside India, as defined under FEMA including eligible NRIs and FIIs.
NRI(s)/Non-Resident Indian	A “person resident outside India”, as defined under FEMA and who is a citizen of India or is a person of Indian origin (as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended).
BSE	Bombay Stock Exchange Limited.
BSE SME	The SME platform of BSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter X-B of the SEBI ICDR Regulations.
OCB(s)/ Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Offer / Offer Size / Public Offer/Issue	The Public Issue of 28,84,000 Equity Shares of ₹10/- each at an issue price of ₹ [●]/- per equity share (including a premium of ₹ [●]/- per equity share aggregating to ₹ [●] Lacs only)
Issue Closing Date	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI ICDR Regulations. In this case being [●].
Offer Document	Draft Prospectus and Prospectus.
Issue Opening Date	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI ICDR Regulations. In this case being [●].
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Price	The Price at which the Equity Shares are being offered and allotted by our Company being ₹ [●]/- per equity share of face value of ₹ 10/- each fully paid.
Issue Proceeds	The proceeds of the Issue. For further information about use of the Issue Proceeds kindly refer to the chapter titled “Objects of the Issue” beginning on page 72 of this Draft Prospectus.
Other Investor	Investor other than Retails Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated



Term	Description
	organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters Contribution	An aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters, shall be locked-in for a period of 3 (three) years from the date of Allotment and our Promoters' shareholding in excess of 20% shall be locked-in for a period of 1 (one) year from the date of Allotment except for the Equity Shares offered and successfully Allotted as part of the Issue for Sale by the Selling Shareholders.
Prospectus	The Prospectus to be filed with the ROC, in accordance with the provisions of Section 32 of the Companies Act, 2013.
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Foreign Investors/ QFIs	<p>Non-resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organization of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI.</p> <p>Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies.</p>
Qualified Foreign Investors Depository Participant/ QFIs DP	Depository Participant for Qualified Foreign Investors.
Qualified Institutional Buyers or QIBs	Public financial institutions as defined in Section 4A of the Companies Act, FIIs and Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals) registered with SEBI, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹ 250 Million, the NIF, set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registered Broker(s)	Broker(s) registered with the stock exchanges having its office at any of the Registered Broker Centres and shall not include Syndicate and sub-Syndicate members.
Registered Broker Centres	Broker centres as notified by the Stock Exchanges, where Applicants can submit the Application Forms to a Registered Broker. The details of such broker centres are available on the websites of BSE and NSE at http://www.bseindia.com/ and http://www.nseindia.com/ , respectively.



Term	Description
Registrar/ Registrar to the Issue	Registrar to the Issue being BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED
Registrar Agreement	The agreement dated September 16, 2017, entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s).
Rule 144A	Rule 144A under the U. S. Securities Act of 1933, as amended from time to time.
SEBI (PFUTP) Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003.
SEBI SAST/ SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.
Self Certified Syndicate Bank(s) / SCSBs	Banks which are registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issue services of ASBA, including blocking of bank account, a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries as updated from time to time.
SME Exchange	The SME Platform of BSE Limited.
TRS/Transaction Registration Slip	The slip or document issued by a Designated Intermediary to the Applicant as proof of registration of the Application.
Underwriters	The Lead Manager who has underwritten this Issue pursuant to the provisions of the SEBI ICDR Regulations and the SEBI (Underwriters) Regulations, 1993, as amended from time to time, in this case being [●].
Underwriting Agreement	The Agreement among the Underwriters and our Company dated [●].
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI.
Working Day	Any day, other than 2 nd and 4 th Saturday of the month, Sundays or public holidays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Issue opening and Issue closing date and listing of the Equity Shares on the Stock Exchanges, “Working Days” shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

Technical / Industry related Terms/Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
Arbitration Act	Arbitration and Conciliation Act, 1996
ANMI	Association of National Exchanges Members of India
AMFI	Association of Mutual Funds of India



Term	Description
AEs	Advanced Economies
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
BG/ LC	Bank Guarantee / Letter of Credit
bps	basis points
CAD	Current Account Deficit
CAGR	Compounded Annual Growth Rate
CBD	Central Business District
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
C.P.C.	Code of Civil Procedure, 1908
DIN	Director Identification Number
DP	Depository Participant
DIPP	Department of Industrial Policy and Promotion
DPR	Detailed Project Report
EA,2003	Electricity Act, 2003
ECA,2001	The Energy Conservation Act, 2001
ECM	Equity Capital Market
EECNV Act	Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
ECS	Electronic Clearing System
ESI Act	Employees State Insurance Act, 1948
EOGM	Extraordinary General Meeting
EMD	Earnest Money Deposit
EMDEs	Emerging Market and Developing Economies
EPS	Earnings Per Share
EPF Act	Employees' Provident Funds and Miscellaneous Provisions Act, 1952
ER Act	Equal Remuneration Act, 1976
Factories Act	Factories Act, 1948
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FICCI	Federation of Indian Chambers of Commerce and Industry
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/ Government	Government of India
HAREDA	Haryana Renewable Energy Department



Term	Description
HERC	Haryana Electricity Regulatory Commission
HIMURJA	Himachal Pradesh Energy Development Agency
HSPCB	Haryana State Pollution Control Board
HPSEB	Himachal Pradesh State Electricity Board
HPSPCB	Himachal Pradesh State Pollution Control Board
HUF	Hindu Undivided Family
IA	Implementation Agreement
ICC	Internal Complaint Committee
ID Act	Industrial Disputes Act, 1947
IESO Act	Industrial Employment (Standing Orders) Act, 1946
I.T. Act	Income-tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
IMF	International Monetary Fund
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KM / Km / km	Kilo Meter
MB Act	Maternity Benefit Act, 1961
MOEF	Ministry of Environment and Forest
MOU	Memorandum of Understanding
MW Act	Minimum Wages Act, 1948
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NEP	The National Electricity Policy, 2005
N.I. Act	Negotiable Instruments Act, 1881
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NOC	No Objection Certificate
NTP	The National Tariff Policy, 2006
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PB Act	Payment of Bonus Act, 1965
PF Act	Provident Funds
PG Act	Payment of Gratuity Act, 1972
PPA	Power Purchase Agreement
PW Act	The Payment of Wages Act, 1936



Term	Description
PLR	Prime Lending Rate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Rs. or ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
Sec./ S.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SERC	State Electricity Regulatory Commission
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
TEC	Techno Economic Clearances
US/ United States/ USA	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WP	The Wildlife (Protection) Act, 1972

The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act 1956, as superseded and substituted by notified provisions of the Companies Act 2013 (the “Companies Act”), the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made there under.

Notwithstanding the following:-

- i. In the section titled “*Main Provision of the Articles of Association*” beginning on page 268 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section.
- ii. In the Section titled “*Financial Information of the Company*” beginning on page 145 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section.
- iii. In the Chapter titled- “*Statement of Tax Benefits*” beginning on page 80 of Draft Prospectus, defined terms shall have the same meaning given to such terms in that chapter.



CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY, MARKET DATA AND CURRENCY OF PRESENTATION

Unless otherwise specified or the context otherwise requires, all references to “India” in this Draft Prospectus are to the Republic of India, all references to the “U.S.”, the “USA” or the “United States” are to the United States of America, together with its territories and possessions.

Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

Financial Data

Unless stated otherwise, the financial information in this Draft Prospectus is derived from Unconsolidated Financial Information, as restated, Consolidated Financial Information, as restated and the related notes, schedules and annexures thereto included elsewhere in this Draft Prospectus, which have been prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations.

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

Our Financial Year commences on April 1 and ends on March 31 of the ensuing calendar year. Unless stated otherwise, references herein to a Financial Year (e.g., Financial Year 2017), are to the Financial Year ended March 31 of that particular year.

Throughout this Draft Prospectus, all the figures have been expressed in Million of Rupees, or in whole numbers, unless stated otherwise. One million represents 1,000,000.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS; accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies, Indian GAAP, the Companies Act and the SEBI ICDR Regulations. The reconciliation of the financial information to IFRS or U.S. GAAP financial information has not been provided in this Draft Prospectus. Any reliance by persons not familiar with Indian accounting policies, Indian GAAP, the Companies Act and the SEBI ICDR Regulations on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to explain these differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on financial data included in this Draft Prospectus.

Unless the context otherwise indicates, any percentage amounts, as set forth in “Risk Factors”, “Business Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 17, 96 and 179 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the audited and Unconsolidated Financial Information, as restated and Consolidated Financial Information, as restated of our Company.

Currency of Presentation

Unless the context otherwise requires, all references to “Rupees” “₹” “Rs.” in this Draft Prospectus are to the official currency of India. All references to “US\$”, “USD” or “US Dollars” are to United States Dollars, the official currency of the United States of America. All references to “Euro” or “€” are to Euros, the official currency of the European Union.



Market and Industry Data

Unless stated otherwise market and industry data used in this Draft Prospectus has been obtained or derived from publically available information as well as various industry publications and sources. These publications typically 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. Accordingly, no investment decisions should be made based on such information. Although we believe the industry and market data used in this Draft Prospectus is reliable, it has not been independently verified by us or the Lead Manager or any of their respective affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable.

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

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors including those discussed in section titled "Risk Factors" on page 17 of this Draft Prospectus. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, we have included in the chapter "Basis for the Issue Price" on 77 of this Draft Prospectus, information pertaining to the peer group companies of our Company. Such information has been derived from publicly available data of the peer group companies.



FORWARD LOOKING STATEMENTS

This Draft Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “contemplate”, “estimate”, “expect”, “future”, “goal”, “intend”, “is likely to result”, “objective”, “plan”, “project”, “seek to”, “should”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans, prospects or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Reduction in demand for our products/ services;
- Competition in our industry;
- Changes in laws, regulations and taxes; and
- Our inability to retain our management team and skilled personnel.

For a further discussion of factors that could cause our actual results to differ from the expectations, please refer section titled “*Risk Factors*” beginning on page 17 of this Draft Prospectus, and chapters titled “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 96 and 179, respectively of this Draft Prospectus. By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated. We cannot assure investors that the expectation reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Neither our Company, the Directors, nor the Lead Manager nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI ICDR Regulations, our Company and the Lead Manager will ensure that investors in India are informed of material developments until the time of grant of listing and trading permissions by the Stock Exchanges. Each Selling Shareholder will severally ensure that investors are informed of material developments solely in relation to the statements and undertakings made by such Selling Shareholder in this Draft Prospectus until the time of grant of listing and trading permissions by the Stock Exchange.



SECTION II –RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Offer Document, including the risks and uncertainties described below, before making an investment in our equity shares. To obtain a complete understanding, the investors should read this section in conjunction with sections titled “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 96 and 179 respectively, as well as, the other financial and statistical information contained in this Prospectus. The risks and uncertainties described in this section are not the only risks that the Company currently faces. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also have an adverse effect on its business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, the business, results of operations and financial condition of the Company could suffer, the price of the Equity Shares of the Company could decline and the investor may lose all or part of its investment.

This Offer Document also contains forward-looking statements that involve risks and uncertainties. The actual results of the Company could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Offer Document. Unless otherwise stated in the relevant risk factors set forth below, the Company is not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of the Company used in this section is derived from its audited financial statements under Indian GAAP, as restated.

Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto.

Any of the following risks as well as other risks and uncertainties discussed in this Offer Document could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment.

In addition, the risks set out in this Offer Document may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. 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. Unless otherwise stated, financial information of our Company used in the section is derived from our Audited Financial Statements, as restated.

In making an investment decision, prospective investors must rely on their own examination of the Company and the terms of the Issue, including the merits and risks involved.

Materiality

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

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

I. INTERNAL RISK FACTORS:

RISKS RELATED TO THE COMPANY

- 1. There are certain Legal Proceedings and claims involving Puri Oil Mills Ltd (“Promoter company”) and the same are pending at different stages before the Judicial/ Statutory authorities. Any rulings by such**



authorities against our Promoter Company, its Promoters could affect the business and financial conditions of the Company.

There is no case filed against the company (POM Hydro Energy Limited) and the Company has not filed any case against any person. However, our Promoter Company is party to several legal proceedings and claims, which are pending before the judicial/ statutory authorities. No assurances can be given as to whether these proceedings will be settled in their favor or against them. If a claim is determined against our Company and/or our Promoter Company and it is required to pay all or a portion of the disputed amount, it could have an adverse effect on the results of operations and cash flows of the Company.

The amounts claimed in these litigations have been disclosed to the extent ascertainable. Any developments in the proceedings or any rulings by such authorities against our Company / or Promoter company may have an adverse material impact on our goodwill, results of operations and financial condition. A classification of the legal proceedings instituted against/ by the Company and the monetary amount involved in these cases is mentioned in brief below:

A. Proceedings initiated against our Promoter (Corporate)

Category	Number of Litigations	Aggregate amount involved (In ₹)
Criminal	3	Not Quantified
Civil	9	~7 Lacs

B. Proceedings initiated by our Promoter (Corporate)

Category	Number of Litigations	Aggregate amount involved (In ₹)
Criminal	3	Not Quantified
Civil	8	~2 Crores
Writ Petition	3	Not Quantified

C. Proceedings initiated against our Promoter (Individuals)/Firm: 1

D. Proceedings initiated by our Promoter (Individuals)/Firm: 6

E. Proceedings initiated by our Promoter Group Companies: 14

F. Proceedings initiated against our Promoter Group Companies: 12

We cannot provide any assurance that these matters will be decided in favour of the above mentioned entities or persons. Further, there is no assurance that similar proceedings will not be initiated against the above mentioned entities or persons in the future. For further details please refer to section titled “**Outstanding Litigations and Material Developments**” on page 189 of this Offer Document.

2. Business Transfer Agreement – Completion of the Conditions

Our Promoter Company, M/s Puri Oil Mills Ltd. has transferred their Hydro Power Projects (“**Power Projects**”) business to our Company by way of slump sale. These Power Projects were transferred pursuant to a Business Transfer Agreement dated February 29, 2016 (“**BTA**”) entered between our Company and our Promoter Company. This BTA was made effective from April 1, 2016. Our Promoter Company is yet to receive Certificate from Income Tax Department u/s 281 of Income Tax Act, 1961 (“**IT Act**”) for transfer of entire assets of the Power Projects. In the event the certificate/ permission is not granted by the IT Department to our Promoter company to transfer the entire assets which forms part of the Power Projects the proposed transfer of assets by way of slump sale shall be void only to the extent of any claim in the respect of any tax or any other sum payable by the promoter company.



3. NOCs required for transferring the Power Projects from our Promoter company to our Company

Out of three power projects which company operates, two have been transferred to the company. Remaining one power project in Himachal Pradesh is still in the name of our Promoter Company. Our Promoter Company has applied to the respective departments of Himachal Pradesh for transfer of the power project in the name of our Company. The transfer will be concluded once approval/ NOC received by concerned government departments.

For further details please refer to section titled “ **Government & Other Key Approvals**” on page 202 of this Offer Document The Company’s failure to obtain the said approvals could result in interruption of its operations and may have an adverse material effect on its business and financial position.

4. Acquisition of land from Promoter company by our Company:

Our Promoter Company has acquired land/s for our various Power Projects. For details of the land/s acquired by our Promoter Company and their status with respect to the execution of the conveyance deed/ sale deed please refer section titled “**Business Overview**” on page 96 of this Offer Document.

Conveyance Deeds for the said lands are pending. The land still lies in the name of M/s Puri Oil Mills Ltd and the conveyance deeds will be executed in favor of POM Hydro Energy Limited in due course of time.

5. We require certain registrations, permits and approvals from government and regulatory authorities in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations.

We require certain registrations, permits, approvals for operating our business. There are 4 (four) Power Projects of our Company which are yet to be commissioned. These non-commissioned Power Projects are at various stages for which approvals from the government and concerned regulatory authorities are required. For further details with respect to such non-commissioned projects along with their status please refer to the section titled “**Government and Other Approvals**” on page 202 of this Offer Document

As mentioned aforesaid, 4 (four) hydro power project of our Company are yet non- commissioned and are at various stages of development/approval. If we fail to obtain any approval/ clearance, whether applied for or otherwise, for our business in a timely manner or at all, our overall business may be adversely affected. There can be no assurance that such approvals, if any will be granted in timely manner or at all. Our Company shall apply for these approvals, NOC’s, licenses, registrations for the non –commissioned Projects at an appropriate time.

6. The insurance coverage taken by our Company may not be adequate to protect against certain business risks and this may have an effect on the business operations.

Our Company’s insurance coverage (“Industrial All Risks”) is likely to cover all normal risks associated with the operations of the business but there can be no assurance that any claim under the insurance policies maintained by it will be honored fully, in part or on time. To the extent our Company suffers loss or damage that is not covered by insurance or exceeds its insurance coverage, the Company’s financial performance and cash flow may be adversely affected.

7. We have a limited history in operating and developing renewable energy projects and therefore have limited experience managing challenges related to commissioning renewable energy power plants. Any failure to manage such challenges could delay our ability to meet our customers’ requirements and delay our ability to generate revenue from such projects, which could have a material adverse impact on our business, financial condition and results of operations.

We have a limited operating history. Our Company was incorporated on September 05, 2013 and we have only recently begun to operate hydro power plants. Any failure to manage challenges could delay our ability to meet



our customers' requirements and delay our ability to generate revenue from such projects, which could have a material adverse impact on our business, financial condition and results of operations.

8. *The Operations of the Power Plant may be adversely affected by any breakdown of key equipment, civil structure and/ or transmission system*

The breakdown or failure of generation equipment or other key equipment or of a civil structure can disrupt generation of electricity by the Power Plant and result in the performance being below the expected levels. Further, any breakdown or failure of transmission system can disrupt transmission of electricity by the Power Plants to the point of evacuation. These events may result in our inability to generate further power leading to loss of revenues and increased cost towards maintenance.

9. *Delays in announcing or changes in tariffs payable*

The power generated from Haryana Power Projects is generally sold to Haryana Power Purchase Centre ("HPPC") and power generated from Himachal Pradesh Power Projects is sold to Himachal Pradesh State Electricity Board ("HPSEB"). States have traditionally specified fixed feed-in tariffs for hydro power, which vary from period to period. Revisions to fixed feed-in tariffs could increase or decrease tariff. Any material reduction in the feed-in tariffs could materially adversely affect the level of investment in hydro power infrastructure in a particular state or in India as a whole. Furthermore, the extent to which tariffs for a state are not stable over the long-term but are subject to confirmation on a periodic basis, this uncertainty could materially adversely affect the level of investment in hydro power infrastructure even if tariffs ultimately increase over the long-term, uncertainty in the structure or amount of tariffs has in the past, and could in the future, delay investment in hydro power projects. Any of the foregoing could adversely affect our business, financial condition and results of operations.

There is also currently pending a case in the Hon'ble Supreme Court of India regarding the revision of the tariff rates. Appeal has been filed by HPPC against tariff order passed by Appellate Tribunal for Electricity (APTEL). No stay was granted. However, any proceedings or any rulings by such authorities against our Company may have an adverse material impact on our goodwill, results of operations and financial condition

10. *The extent and reliability of the Indian electricity grid could adversely affect our results of operations and financial condition.*

India's physical infrastructure, including its electricity grid, is less developed than that of many developed countries. The transmission and dispatch of the full output of our renewable energy projects may be curtailed as a result of grid constraints, such as grid congestion, restrictions on transmission capacity of the grid and restrictions on electricity during certain periods. As the electricity we generate is not stored and must be transmitted or used once generated, we may have to stop producing electricity during the period when electricity is unable to be transmitted due to grid congestion or other grid constraints. Such events could reduce the net power generation of our renewable energy projects despite there being deemed generation clause in the PPAs. If construction of renewable energy projects outpaces transmission capacity of electricity grids, we may be dependent on the construction and upgrade of grid infrastructure by government or public entities.

11. *Our operating projects are located in two states in India and expanding into other states poses challenges.*

Our operations have been geographically concentrated in the states of Himachal Pradesh and Haryana. Our business is significantly dependent on the general economic condition and activity in the states in which we operate, and the central, state and local government policies relating to renewable energy. Although investment in the renewable energy sector in the areas in which we operate has been encouraged, there can be no assurance that this will continue.

We may expand geographically to other states with characteristics similar to the states in which we currently operate. We may not gain acceptance or be able to take advantage of expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities. We face



additional risks if we undertake projects in other geographic areas in which we do not possess the same level of familiarity.

Further, our competitors may have a significant foothold over such geographies. If we undertake any expansion, we may not be able to successfully manage some or all of these risks, which may have a material adverse effect on our revenues, profits and financial condition.

12. *If the Company is unable to implement the Project allotted to it within the time provided, the project may be taken back from the Company.*

In case the Company does not implement the project allotted due to any reason whatsoever, the Company might have to hand over uncommissioned projects HAREDA/HPSEB all the project reports and any other connected documents as might have been collected and/ or prepared by the Company. HAREDA/ HPSEB shall have exclusive right and authority to take back the project and all relevant documents, project reports, etc., without any compensation.

13. *Any changes to Himachal Pradesh Electricity Regulatory Commission (“HPERC”) and Haryana Electricity Regulatory Commission (“HERC”) tariff regulations may adversely affect our cash flow and results of operations.*

The tariff payable to us by our customers for the sale of energy from our hydropower stations are determined by the HERC/ HPERC and supported by long term PPAs, which were entered into between our Promoter Company and the respective State Governments and their successor entities. The tariff norms and regulations may be revised by the HERC during the term of the respective PPAs for the Mussapur and Khukhani Project. The HERC has issued tariff regulations for the period from 2011 to 2012, after which, the purchase price shall be decided and notified by HERC subject to a minimum of ₹ 3.67 per kWh. The escalated tariff will be applicable from 1st of April of each year and this rate would remain same throughout the day for the entire year. The discoms will bear the cost of 11 KV transmission line up to a distance of 10 km from the Delivery Point of the Company to designated i.e. 33 KV sub-station Gharibirbal of UHBVN. Beyond the 10 km distance, the balance cost of transmission line shall be shared equally between the Company and Nigam/ Discoms as per HERC order dated 15.05.2007 and 06.11.2009.

The Tariff for net saleable energy in case of Chakshi Project as mentioned in the Power Purchase Agreement (“PPA”) is firm and fixed without indexation and escalation and shall not be changed due to any reasons whatsoever. However the company has entered into Supplementary PPA wherein the parties have agreed to amend the tariff at ₹ 2.95 per kwh hour as per HPERC Order dated 28.11.2011.

Any change in the current tariff structure may affect our cash flow and results of operations. Any adverse changes in Tariff norms or their interpretation by the CERC, judgments of the APTEL or the Supreme Court, or notifications by respective State governments relating to issues that affect hydropower generation, may limit our ability to recover payments due to us or the prices that we can charge for our hydropower and may have an adverse effect on our results of operations and cash flow from operations.

14. *Withdrawal of 10 year Tax Holiday under section 80IA of the Income tax Act, 1961 may adversely affect our liquidity*

The Company is entitled to the benefit of a 10-year tax holiday period under section 80IA of the Income Tax Act, 1961. This benefit is available for 10 consecutive years out of first 15 years of operations commencing from COD i.e. since the year ending March 31, 2012. In the event this tax holiday is withdrawn the Company shall be liable to pay income tax as applicable in those years, which may have a effect on the profitability of the company.

15. *The company may have to bear the cost of suggestive remedial measures if the Government Himachal Pradesh feels that the project sites are not maintained as per the specification of the Himachal Pradesh Government.*

The Implementation Agreement & the Supplementary Implementation Agreement for Chakshi hydro project, also states that the project site will be inspected during the 10th, 20th & 35th years of operations. The



Special Secretary (NES), to the Government of Himachal Pradesh-cum-Chief Executive Officer, HIMURJA or one of its appointed agencies would carry out a mandatory inspection of the Project site to ensure that the Project assets are maintained to the required standards to ensure the specified generation capability and residual life of the plant.

We are maintaining the project site in a good condition but if such inspections find that the Project capacity and/or life are being undermined by inadequate maintenance, the Government of Himachal Pradesh shall be entitled to seek remedial measures from our Company.

If the Company fails to comply with the requirement, the Government of Himachal Pradesh would have the right to take over the commercial operation of the Project and shall have full right upon the sale of power including Company's share. The cost on account of metered power including the operation and maintenance cost for such a period till the project's assets are restored to the requisite standards to ensure the specified generation capability and residual life of the project as specified above. Thereafter, the project shall be handed over to our Company.

16. *Our long-term agreements i.e. Power Purchase Agreements ("PPAs") expose us to certain risks.*

Our Company will derive substantial portion of our revenues from PPAs entered by our Promoter Company into with State electricity entities, typically for period of 25 (twenty five) years in case of Khukhani and Mussapur hydro power project which can be further extended to 10 (ten) years by mutual agreement and for 40 (forty) years in case of Chakshi Power project. The provisions of our PPAs continue to operate until such agreement are formally renewed or replaced.

Such arrangements may restrict our operational and financial flexibility in certain important respects and restrict our ability to grow our revenues from existing businesses. For example, business circumstances may materially change over the life of one or more of our contracts and we may not have the ability to modify our contracts to reflect these changes. Further, being committed under the contracts may restrict our ability to implement changes in our business plan or to enter into agreements with other parties at higher prices should the market price for energy rise. The limits of our business flexibility, exposes us to an increased risk of unforeseen business and industry changes and may have an adverse effect on our business, prospects, financial condition and results of operations.

Given that our Company's revenue structure under each contract is set over the life of the contract (and fluctuates subject to the adjustment mechanisms contained in each such contract), our profitability is largely a function of how effectively we are able to manage our costs during the terms of our contracts. If our Company is unable to effectively manage costs, our business, prospects, financial condition and results of operations may be adversely affected.

17. *We are dependent on various contractors or specialist agencies to construct and develop our projects or to supply materials or equipment required in connection with our Power Projects.*

The constructions of our commissioned Power Projects are done through third party contractors or specialist agencies which are selected through International Committee Bid (ICB). The party which is awarded L-1 bid constructs the Power Projects.

We rely on third party contractors for the construction and development of our Power Projects. Accordingly, the timing and quality of construction on our projects depends on the availability and skill of these contractors. We also rely on third party suppliers to provide us with many of the materials we use, such as cement and steel. We do not have direct control over the quality of materials supplied by such suppliers. Therefore, we are exposed to risks relating to the quality and availability of such products.

In business, we also rely on complex machinery built by third parties, which may be susceptible to malfunction. This is particularly true in the current industry environment, which involves rapid technological developments and often involves the installations of newly developed equipment that has not been extensively field-tested. Although, in certain cases, manufacturers are required to compensate us for certain equipment failures and defects, such arrangements are subject to ceilings and may not fully compensate us for the damage that we may suffer as a result of equipment failures and defects, *force majeure* conditions or against any penalties we may consequently become liable to pay under our agreements with our customers.



In addition our contracts with our third party suppliers or contractors do not generally cover indirect losses such as loss of profits or business interruptions. There can be no assurance that any natural disasters, accidents or malfunctions involving our assets will not have an adverse effect on our business, prospects, financial condition and results of operations. Further, although we believe that our relationships with our contractors and suppliers are cordial, we cannot assure you that such contractors and suppliers will continue to be available at reasonable rates and in the areas in which we conduct our operations. If some of these third parties do not complete our orders satisfactorily or within the stipulated time, our reputation and financial condition may be adversely affected.

18. *The construction and operation of Power Projects may face opposition from local communities and other parties in the future*

The construction and operation of hydroelectric power projects may face opposition from local communities where these projects are located and from special interest groups. In the past many hydro power projects have encountered opposition to the construction or operation of the hydro power projects. We cannot assure that we will not encounter such opposition. However, Small Hydro Power generally does not face such a risk as the land requirement is less and environmental impact is also minimal as compared to Hydro Electric Projects that require the construction of storage facilities because which involves the inundation of surrounding land.

19. *Our generation capacity may be subject to substantial variations in water flow due to climatic conditions, which may cause significant fluctuations in our revenue and profits.*

The amount of power generated by hydropower systems is dependent on availability of water flow. There may be significant fluctuations in our revenues and cash flows due to variations in water flow from season to season, and from year to year, depending on factors such as rainfall, snowfall, snowmelt, or other seasonal or climatic conditions, and the carrying capacity of the river/ canal.

Our operating results have historically been more favorable during the monsoon season. Substantial rainfall during the monsoon season generally leads to higher generation at our power stations because a greater amount of water is available.

Further, with respect to our projects which are yet non-commissioned there can be no assurance that the water flows will be consistent with our projections, or that the water flow required to generate the projected outputs will be sustained after construction of the projects is completed. Similarly, there can be no assurance that material hydrological events will not impact the conditions that currently exist at our project sites. Accordingly, adverse hydrological conditions, whether seasonal or for an extended period of time, that result in inadequate or inconsistent water flow may render our hydroelectric power stations incapable of generating energy in accordance with our current estimates, which may adversely affect our business condition in the future or may make it difficult for us to recover costs already expended on any affected projects currently under development.

20. *We require certain clearances and approvals in order to develop our projects and the failure to obtain them may adversely affect our operations.*

Hydroelectric projects are generally developed in three stages which include survey and investigation of project site and preparation of pre-feasibility report, detailed investigation, preparation of a DPR and pre-construction activity including land acquisition and execution of the project. Approvals and clearances are required at various stages of this development process, including local village panchayats, local government authorities, state government department/agencies and GOI. Moreover, since we receive approvals at various stages, in the event there is a substantial time gap between receipt of an approval at the current stage and next stage, we may need to approach the previous authority to renew our approvals.

21. *We operate in a very competitive industry*

We face competition from various regional and national domestic hydro power developers. Competitors having superior resources (financial, research, execution and marketing) than us pose competition to us.



Our ability to compete and perform depends on various factors including cost-competitiveness, site selection (including hydro resources and energy production assessments), quality of services, and ability to tie-up manufacturers having reliable product quality, technology and price, including operation and maintenance services.

We face competition from companies that may have greater financial resources and more favorable cost structures or strategic goals than we do. Further, some of our competitors may have greater financial, technical and other resources and greater market share and goodwill which may enable them to compete effectively. There can be no assurance that we will be able to compete successfully with such companies or any other entrants to our industry. If we are unable to compete successfully for new customers and projects, our business financial condition and results of operations would be adversely affected.

22. *The Development of our Projects may be subject to unexpected complexities and delays, which may cause the actual costs of developing projects to differ significantly from our estimates.*

Our decision to develop or modify a project is typically based on the results of a feasibility study, which estimates the expected project costs. However, there are a number of uncertainties inherent in the development and construction of any hydroelectric project, including but not limited to:

- availability of funds to finance construction and development activities;
- costs, delays or difficulties in the acquisition of land and associated resettlement and rehabilitation issues;
- availability and cost of skilled labour, power and transport facilities;
- difficulties associated with accurately anticipating geological, hydrological and climate conditions;
- delay or failure to obtain necessary environmental and other governmental clearances;
- interruptions caused by project-affected persons, special interest groups or labour unions;
- disruptions caused by natural disasters such as earthquakes, landslides or floods, accidents, explosions, fires or the breakdown, failure or substandard performance of equipment due to improper installation or operation, etc.

In addition, the costs, timing and complexities of project development and construction can increase because of the remote location of many of our hydroelectric project sites. Specifically, such uncertainties may cause delays, cancellations or modifications in the scope or Schedule of our incomplete projects or projects included in our future plans, which may adversely affect our predicted cash flow position, revenues and earnings. Due to the possibility of cancellations or adjustments in project scope, we cannot predict with certainty when, if or to what extent or at what cost a project currently under development or a planned future project will be completed.

23. *Our success depends on our ability to respond to various changes in future like technological changes, etc.*

Our future success will depend in part on our ability to respond to technological advances and emerging hydropower generation industry standards and practices in a cost-effective and timely manner. The development and implementation of such technology entails technical and business risks. We cannot assure you that we will successfully implement new technologies effectively or adapt our processing systems to customer requirements or emerging industry standards. If we are unable, for technical, financial, legal or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological change, our business prospects, financial performance and results of operation may adversely affected.

24. *The Electricity Act have introduced measures that may result in increased competition for us*

The statutory and regulatory framework for the India power sector generally, and the hydropower sector specifically, has changed significantly in recent years and there are likely to be more changes in the next years. Changes in Tariff Policy, open access and parallel distribution and liberalized licensing requirements for, and tax incentives applicable to, companies in the hydropower sector, may provide opportunities for increased private sector involvement in power generation. For instance, the Electricity Act removes licensing requirements for thermal generators, provides for open access to transmission and distribution networks and removes restrictions on the right to build captive generation plants. Specifically, the open access reforms which will enable generators to sell their output directly to distribution companies, and ultimately, directly to the consumers, may increase the financial viability of private investment in power generation.



Large Indian businesses that already have a presence in the Indian power sector, specifically in captive power generation, may seek to expand their operations in the sector. The power sector in India may also attract increased investment from international companies with greater resources and assets than us and which may be able to achieve better economies of scale allowing them to bid profitably at more competitive rates. In addition, there may be increased competition from Central and State power utilities. Such a competition may result in a material adverse effect on our business, prospects and financial condition.

25. *The accumulation of silt in waterways can damage our equipment and cause shutdowns that can lead to a reduction in our power generation and may adversely affect our business*

Our operations can be affected by a buildup of silt and sediment that can accumulate behind dam walls and prevent the silt from being washed further down the river. Excess levels of silt can occur in waterways due to changes in environmental conditions, exacerbated by human activities such as agriculture and construction. High concentrations of silt in water can cause erosion in a station's hydroelectric turbines or can lead to blockages in the turbines themselves. Any such damage or blockage may require us to suspend power generation at a station, which may lead to a reduction in revenue, including associated efficiency incentive payments for the duration of such suspension. In addition, we may be required to incur additional costs from time to time to carry out dredging and repairs of any such affected equipment or assets.

26. *We may be impacted by disputes concerning water usage and management at a local, State or international level*

India is a party to a number of international agreements that seek to promote long-term holistic water management across international boundaries, including a water-sharing treaty between India and Bangladesh on the River Ganges, the Indus Water Treaty between India and Pakistan and several treaties between Nepal and India. In addition, there are several Indian inter-State water-sharing agreements in relation to sharing costs towards water and irrigation. However, sovereignty over water flows is hard to define and enforce, even though agreements between connecting States or regions have been reached. Our business and our future financial performance may be adversely affected should our projects, or the watercourses on which our projects are located, become the subject of disputes relating to water usages at a local, State or international level.

Additionally, the watercourses on which our projects are built are public assets and have additional usage of state/public importance other than electricity generation. Government has right, subject to their obligations and compliances with regard to statute and contracts, to make changes in utilisation, capacity and course of these waterbodies. Any such change may positively/ negatively impact the operational performance of its existing projects. In case of allotted projects such a change may impact the viability either positively or negatively.

27. *Our results of operations may be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees in future*

As of December 31, 2017 our Company employed 42 (forty two) full-time employees. Our Company has not till date had any kind of strikes, work stoppages or any other kind of dispute with our employees however, there can be no assurance that we will not in the future experience disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations.

28. *Our success depends in large part upon our management team and skilled personnel and our ability to attract and retain such persons.*

Our future performance depends on the continued service of our management team and skilled personnel. We also might face a continuous challenge to recruit and retain a sufficient number of suitably skilled personnel, particularly as we continue to grow. If there is significant competition for managers and other skilled personnel in our industry, and it may be difficult to attract and retain the personnel we need in the future. The loss of key personnel may have an adverse effect on our business, results of operations, financial conditions and ability to grow.



- 29. *We have entered into, and will continue to enter into, related party transactions which have involved or could potentially involve conflicts of interest and impose certain liabilities on our Company. Further, any inability to obtain terms from third parties similar to the terms we receive from related parties for future transactions could materially and adversely affect our business, financial condition and results of operations.***

We have entered into transactions with related parties, including our Promoters. The transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest and impose certain liabilities on our Company. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. For further details of related party transactions, please refer to Annexure XXIX in the section titled “Financial Information” beginning on page 171 of this Draft Prospectus.

- 30. *We are subject to certain conditions and restrictions imposed by our financing agreements that may affect our ability to conduct our business and operations.***

As at September 30, 2017 our Company had total debt outstanding of ₹ 837.09 Lacs. In addition, we may incur additional indebtedness in the future. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow may be used towards repayment of our existing debt, which will reduce the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted; fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness are at variable interest rates;
- there could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions

Most of our financing arrangements are secured by our movable and immovable assets. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations.

- 31. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, restrictive covenants in our financing arrangements and our debt repayment schedule.***

Our business is capital intensive and we may plan to make additional capital expenditures to complete the power projects that we are developing. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, restrictive covenants in our financing arrangements and our debt repayment schedule. Our ability to pay dividends is also restricted under certain financing arrangements that we have entered into and expect to enter into. In the past, we have made dividend payments to holders of Equity Shares. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements for the power projects, financial condition and results of operations.



II. EXTERNAL RISK FACTORS

32. *A slowdown in economic growth in India may adversely impact our business.*

Our performance and the quality and growth of our assets are necessarily dependent on the health of the overall Indian economy, which may be adversely affected by a general rise in interest rates, weather conditions adversely affecting agriculture, commodity and energy prices and protectionist efforts in other countries or various other factors. In addition, the Indian Economy is in a state of transition. The share of the services sector of the economy is rising while that of the industrial, manufacturing and agricultural sectors is declining. It is difficult to gauge the impact of these fundamental economic changes on our business. Any slowdown in the Indian economy, or future volatility in global commodity prices, may adversely affect our business.

33. *Political instability or changes in the Government may delay the liberalization of the Indian economy and adversely affect economic conditions in India generally, which may impact our future prospects.*

Since 1991, successive Indian governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. Nevertheless, the role of the Indian Central and State Governments in the Indian economy as producers, consumers and regulators has remained significant. The current Central Government, which came to power in 2014 is headed by the Bhartiya Janta Party (“BJP”). Elections will be held in 2019 and there will be no assurance that the current government will continue or that the succeeding government will continue the policies or initiatives announced by the current government. Although the current government has announced policies and taken initiatives that support the economic liberalization policies, the rate of economic liberalization may change and specific laws and policies affecting banking and finance companies, foreign investment and other matters affecting investment in our securities may change as well. Any major change in government policies might affect the growth of Indian economy and thereby our growth prospects. Additionally, as economic liberalization policies have been a major force in encouraging private funding power sector development, any change in these policies may have a significant impact on power sector development and business and economic conditions in India generally, which may adversely affect our business, our future financial performance and the price of our Equity shares.

34. *Terrorist attacks, breakdowns in internal law and order, civil unrest and other acts of violence or war involving India and other countries may adversely affect the financial markets and our business.*

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, make travel and other services more difficult and ultimately adversely affect our business. India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India may have a negative impact on us. Such incidents may also create a greater perception that investment in Indian companies involves a higher degree of risk and may have an adverse impact on our business and the price of our Equity Shares.

35. *Natural calamities may have a negative impact on the Indian economy and cause our business to suffer.*

India has experienced natural calamities such as earthquakes, tsunami, floods and droughts in the past. The extent and severity of these natural disasters determines their impact on the Indian economy. For example, as a result of drought conditions in the country during Fiscal 2003, the agricultural and allied sector recorded a negative growth of 6.90%. The erratic progress of the monsoon in 2004 affected sowing operations for certain crops. Furthermore, prolonged spells of below normal rainfall or other natural calamities may have a negative impact on the Indian economy. Adversely affecting our business and the price of our Equity Shares.



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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy.

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

37. *Any downgrading of India's debt rating by an international rating agency may have a negative impact on our business.*

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

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

The prices of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including: volatility in the Indian securities market our operations and performance; performance of our competitors; the perception in the market with respect to investments in the power generation sector; adverse media reports about us or the Indian power generation; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal regulations. There has been no public market for the Equity Shares and the prices of the equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue, or that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequent to this Issue.

PROMINENT NOTES

1. Our Company was incorporated as 'POM SEF Hydro Energy Limited' on September 5, 2013 under the Companies Act, 1956, with the Registrar of Companies, Himachal Pradesh and received a Certificate of Commencement of Business on March 26, 2014. The corporate identity number of the Company is U40109HP2013PLC000514. The name of the Company was subsequently changed to "POM Hydro Energy Limited" pursuant to a special resolution passed by the shareholders of our Company in the EGM held on June 19, 2015. A fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Himachal Pradesh on July 15, 2015.
2. Public issue of 28,84,000 Equity Shares for cash at a price of ₹ [•] per Equity Share (including share premium of ₹ [•] per Equity Share) aggregating upto ₹ [•] Lacs. The average cost of acquisition of Equity Shares by our Promoters is given below:



Sr. No	Name of the promoter	Average Cost of Acquisition per Equity Shares (₹)
1.	Mr. Vivek Puri	29.88
2.	Mrs. Indu Puri	29.88
3.	Mrs. Shalini Puri	29.88
4.	Puri Oil Mills Limited	29.88

3. For six (6) months period ended September 30, 2017 and as at March 31, 2017 our Company's net worth was ₹ 2,786.82 Lacs and ₹ 3,097.43 Lacs respectively.
4. For six (6) months period ended September 30, 2017 and as at March 31, 2017 our Company's book value per Equity Share was ₹ 34.62 and ₹ 38.48 respectively.
5. For details of the related party transactions entered into by our Company, please refer to the section "*Related Party Transactions*" on page 171 of this Draft Prospectus.
6. There has been no financing arrangement whereby our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of 6 (six) months immediately preceding the date of filing of this Draft Prospectus.
7. Except as stated in Capital Structure beginning on the page 62 of the Draft Prospectus, our Promoters/Promoter Group/Directors have not purchased / sold / financed / acquired any shares of our Company during the past six months from the date of the Prospectus.
8. Our Company and the Lead Manager will update the Offer Document in accordance with the Companies Act and the SEBI ICDR Regulations and our Company and the Lead Manager will keep the public informed of any material changes relating to our Company till the listing of our shares on the stock exchange.
9. For interest of our Promoters/Directors/Key Managerial Personnel and other ventures promoted by Promoters, please refer to sections titled "*Risk Factors*", "*Our Promoters*", "*Our Management*", "*Related Party Transactions*" and "*Financial Statements*" beginning on page nos. 17, 137, 125, 171 and 145 of this Draft Prospectus.
10. Investors may contact the Lead Manager for any complaint, clarifications and information pertaining to the Issue. Any clarification or information relating to this Issue shall be made available by the Lead Manager to the public and investors at large and no selective or additional information would be made available only to a section of the investors in any manner. All grievances relating to ASBA process may be addressed to the Registrar to the, with a copy to the relevant SCSBs, giving full details such as name, address of the applicants, application number, number of Equity Shares applied for, application amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form has been submitted by the ASBA Investor. For contact details please see "*General Information*" on page no 53.



SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

Evolution of the Industry

Hydropower represents use of water resources towards inflation free energy due to absence of fuel cost with mature technology characterized by highest prime moving efficiency and spectacular operational flexibility. Out of the total power generation installed capacity in India of 3,29,226 MW (August, 2017), hydro power contributes about 13.6% i.e. 44,653 MW and RES (Renewable Energy Sources: Small Hydro Project, Biomass Gasifier, Biomass Power, Urban & Industrial Waste Power, Solar and Wind Energy) contributes about 17.7% i.e. 58,303 MW.

India has a history of about 110 years of hydropower. The first small hydro project of 130 KW commissioned in the hills of Darjeeling in 1897 mark the development of hydropower in India. The Sivasamudram project of 4500 KW was the next to come up in Mysore District of Karnataka in 1902, for supply of power to the Kolar gold mines. Following this, there were number of small hydro projects set up in various hilly areas of the country. Till independence (1947), the country had an installed capacity of 1362 MW, which included 508 MW hydropower projects, mainly small and medium size projects. A planned development of hydropower projects in India started only in the post independence era. The focus was laid on large-scale power generation through big hydro, thermal and nuclear route. First 50 years after independence saw a capacity addition of 85,019 MW including 21,644 MW of hydropower stations, most of them were being large hydro. Since the development was mainly in the Central sector and the State Electricity Boards (SEBs) were more or less tuned to the central planning system, relatively less importance was given to small projects. In late 80's, it was realized that the development of Small Hydro Power (SHP) potential has remain largely untapped as the focus was on large-scale power generation. In order to provide focused attention to small size projects, the subject of small hydro was brought under the purview of renewable energy.

The decade of 90s saw a firm footing for the development of small hydro in India. A comprehensive programme for exploitation of its potential was built. Demonstration projects were supported throughout the country with new technical and engineering concepts to harness small, medium and high heads for SHP projects in hills as well as canals. R&D projects and a dedicated center namely Alternate Hydro Energy Centre (AHEC) at University of Roorkee (now IIT, Roorkee), to provide technical support to the small hydro sector. Database of potential SHP sites on small rivers and canals was concurrently developed. A pre-investment study was carried out under the auspices of the Energy Sector Management Assistance Program (ESMAP) jointly supported by United Nations Development Program (UDNP) and World Bank with an objective to prepare an investment program to develop irrigation/ canal based hydro schemes. Alongside, manufacturing base for SHP equipment was strengthened.

(Source: MNRE{Ministry of New and Renewable Energy} Akshay Urja Publication, Retrieved from <http://www.mnre.gov.in/file-manager/akshay-urja/march-june-2013/EN/24-27.pdf>)

The Indian Power Sector

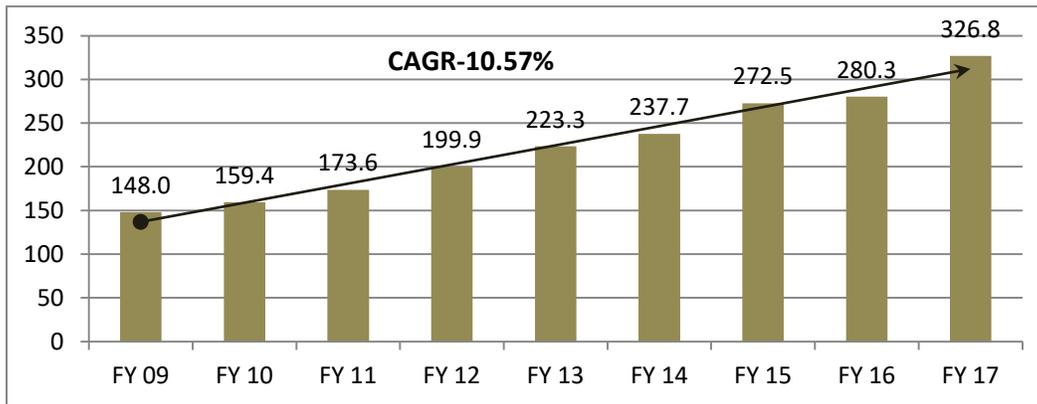
Overview of Indian Power Sector

In India, like in any other country, power consumption is expected to rise with economic growth and social development. The power sector consists of generation, transmission and distribution utilities and is a crucial component of India's infrastructure. India's rapid growth over the past decade has increased power demand, which is still largely unmet.

Installed capacity increased steadily over the years, posting a CAGR of 10.57% in FY09–17.



Installed electricity generation capacity (GW)



(Source: CEA {Central Electricity Authority}, Tech Sci Research, Notes: GW – Gigawatt, CAGR - Compound Annual Growth Rate)

The Fuel type specific Installed Capacity as on August 31, 2017:

Fuel Type	Mega Watt (MW)	% of Total
Thermal	2,19,490	66.7
a. Coal	1,93,467	58.8
b. Gas	25,185	7.6
c. Oil	838	0.3
Hydro	44,653	13.6
Nuclear	6,780	2.1
RES*	58,303	17.7
Total	3,29,226	100

*RES (Renewable Energy Sources) include Small Hydro Project, Biomass Gasifier, Biomass Power, Urban & Industrial Waste Power, Solar and Wind Energy.

* Installed capacity in respect of RES (MNRE) as on 30/06/2017.

(Source: Cental Electricity Authority-CEA)

1. Generation

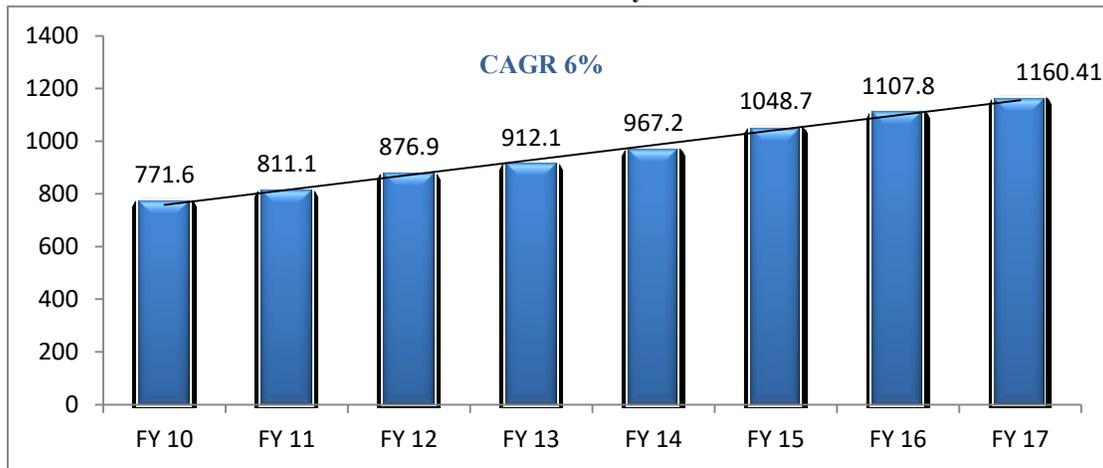
The natural resources for electricity generation in India are unevenly dispersed and concentrated in a few pockets. Hydro resources are located in the Himalayan foothills, North Eastern Region (NER). Coal reserves are concentrated in Jharkhand, Odisha, West Bengal, Chhattisgarh, parts of Madhya Pradesh, whereas lignite is located in Tamil Nadu and Gujarat. Also lot of power station, generating from Gas and renewable energy sources like Solar, Wind etc. have been installed in various parts of country.

(Source: Ministry of Power, <http://powermin.nic.in/en/content/overview-0>)

Over FY10–FY17, electricity production in India grew at a CAGR of 6 per cent. The electricity generation target of conventional sources for the year 2017-18 has been fixed as 1229.400 Billion Unit (BU). i.e. growth of around 5.97% over actual conventional generation of 1160.141 BU for the previous year (2016-17). The conventional generation during 2016-17 was 1160.141 BU as compared to 1107.822 BU generated during 2015-16, representing a growth of about 4.72 %.



Generation in Billion Units from the year 2009-10 to 2016-17



(Source: Ministry of Power, CEA, Notes: FY - Indian Financial Year (April-March), BU – Billion Unit)

2. Transmission

Power Grid Corporation of India Limited (POWERGRID), a Central Transmission Utilities (CTU), is responsible for planning inter-state transmission system (ISTS). Similarly there are State Transmission Utilities (STU) (namely State Transco/ SEBs) responsible for the development of Intra State Transmission System.

An extensive network of Transmission lines has been developed over the years for evacuating power produced by different electricity generating stations and distributing the same to the consumers. Depending upon the quantum of power and the distance involved, lines of appropriate voltages are laid. The nominal Extra High Voltage lines in vogue are ± 800 kV HVDC (High Voltage Direct Current) & 765 kV (Kilo Volts), 400 kV, 230/220 kV, 110 kV and 66 kV AC (Alternating Current) lines. These have been installed by all the SEBs (State Electricity Boards), and by Generation, Transmission & Distribution utilities including those in Central Sector.

The transmission lines are operated in accordance with Regulations/ standards of Central Electricity Authority (CEA) / Central Electricity Regulatory Commission (CERC) / State Electricity Regulatory Commissions (SERC). However, in certain cases, the loading on transmission lines may have to be restricted keeping in view the voltage stability, angular stability, loop flows, load flow pattern and grid security. Power surplus States have been inter-alia, able to supply their surplus power to power deficit State Utilities across the country except for some congestion in supply of power to Southern Region.

Power System Operation Corporation Limited (POSOCO) is managing the National and Regional grid from National Load Despatch Centre (NLDC) and its five Regional Load Despatch Centres (RLDC) through state-of-the-art unified load dispatch & communication facilities.

(Source: Ministry of Power, <http://powermin.nic.in/en/content/overview-0>)

3. Distribution

Distribution is the most important link in the entire power sector value chain. As the only interface between utilities and consumers, it is the cash register for the entire sector. Under the Indian Constitution, power is a Concurrent subject and the responsibility for distribution and supply of power to rural and urban consumers rests with the states.

Government of India provides assistance to states through various Central Sector / centrally sponsored schemes for improving the distribution sector such as Integrated Power Development Scheme (IPDS), Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), National Electricity Fund (NEF), Financial Restructuring Scheme.



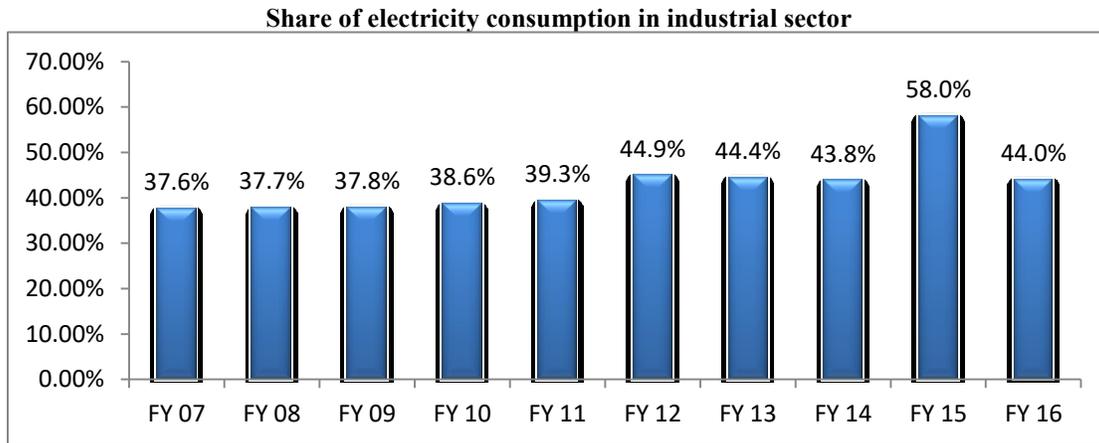
The major objectives of these schemes are:

- Strengthening of sub-transmission and distribution networks in the urban as well as rural areas
- Metering of distribution transformers / feeders / consumers in the urban and rural area.
- To promote investment in the distribution sector

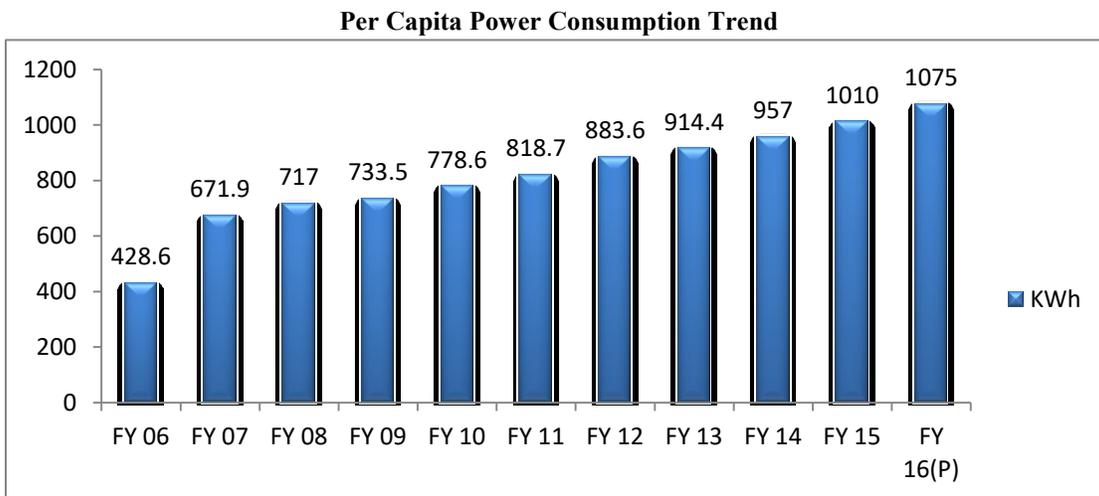
(Source: Ministry of Power, <http://powermin.nic.in/en/content/overview-4>)

Demand for Electricity in India

Higher levels of economic growth and anticipated improvement of quality of life over next few years will lead to growth in power demand. Further India is set to become a global manufacturing hub with investments across the value chain. Hence with industrial expansion coupled with growing per-capita income Indian Power Sector is set to continue showing growth in the coming years.



(Source: TechSci Research, Ministry of Statistics and Program Implementation)



(Source: CEA, TechSci Research, Notes: RGGVY - Rajiv Gandhi Grameen Viduytikaran Yojana, P: Provisional)

Per capita electricity consumption in the country grew at a CAGR of 9.63 per cent, during FY06-FY16, reaching 1075 KWh (Kilo Watt hour) in FY16.



Hydro Potential In India

Hydropower is a renewable, economical, non-polluting and environmentally benign source of energy. Hydropower stations have the inherent ability for instantaneous starting, stopping, load variations, etc. and help in improving the reliability of power systems. There is no fuel cost during the life of the project as hydropower generation is a non-consumptive use of water. The benefits of hydropower as a clean, environment friendly and economically attractive source of energy have been sufficiently recognized. In comparison to other renewables on a life cycle basis, Green House Gas (GHG) emissions release from hydropower is lesser relative to that of electricity generation from biomass and solar. The emissions are almost equivalent to those from wind, nuclear and geothermal power plants. Since hydropower generation does not require burning or combustion of any fuels, the cost of operation are not susceptible to market price fluctuations. The need for its accelerated development also arises from its capacity of enhanced system reliability and economics of utilization of resources.

During the last century, hydropower has made an important and significant contribution to meeting the energy needs of countries. In developed countries, most hydropower potential has been harnessed. However, the situation is not similar in developing countries such as India. It is seen that nearly 3/4 of exploitable hydro energy potential in India is yet to be harnessed for the betterment of growth and welfare of population of the region and boost industrial growth.

India is endowed with large hydropower reserves that are estimated to be capable of meeting a demand of around 85 GW at a 60% load factor, making it the fifth in the world in terms of usable hydropower potential. However, in spite of the abundance of these reserves, the total installed capacity of large hydropower projects with a capacity greater than 25 MW till date is only 45 GW, representing only 30% of the total potential. A comparison with the global levels shows that the extent and overall pace of hydropower development in India are well behind those of other hydro-rich nations.

Basin-wise Large Hydro potential in India (CEA):

River Basin	Probable Installed Capacity in mW
Indus	33,832
Ganga	20,711
Central Indian rivers	4,152
West flowing (southern)	9,430
East flowing (southern)	14,511
Brahmaputra	66,605
Total	~1,49,000

Small Hydro Power Potential

Hydro power projects are generally categorized in two segments i.e. small and large hydro. In India, hydro projects up to 25 MW station capacities have been categorized as Small Hydro Power (SHP) projects. Small hydro power projects are further classified as:

Class	Station Capacity in KW
Micro Hydro	Up to 100
Mini Hydro	101 to 2000
Small Hydro	2001 to 25000



Small hydro’s distinguishing attribute being that these are mostly run-of-the-river type and do not require the construction of dams. Thus, apart from the fact that electricity is generated from a renewable source, small hydro projects have far lesser environmental impacts as well.. Further unlike large hydro project, small hydro enjoys benefits of being categorised as renewable energy. While Ministry of Power, Government of India is responsible for large hydro projects, the mandate for the subject small hydro power (up to 25 MW) is given to Ministry of New and Renewable Energy.

The total hydroelectric power potential in the country is assessed at about 1,50,000 MW equivalent to 84,000 MW at 60 percent load factor. The identified potential of SHP projects is 19,749 MW at 6474 numbers of potential sites, out of which 4324 MW has been harnessed at 1077 sites (as on 31/01/2017 Source MNRE). Out of this potential, most of the SHP potential lies in the States of Himachal Pradesh, Uttarakhand, Jammu & Kashmir and Arunachal Pradesh as river based projects i.e. run off river scheme. In the plain region Maharashtra, Chhattisgarh, Karnataka and Kerala have sizeable potential. SHP projects are environmentally benign, economically viable and consequently private sector invested in such project. Viability of the projects improves with increase in the station capacity. In cumulative terms, 1075 small hydropower projects aggregating to 4324.86 MW have been set up in various parts of the country. In addition, 232 projects of about 793.73 MW are in various stages of implementation. Following are the state-wise details of completed and under execution projects.

State-wise details of Small Hydro Projects completed and under execution for the four states.							
STATE WISE NUMBERS AND AGGREGATE CAPACITY OF SHP PROJECTS (UPTO 25 MW)							
POTENTIAL, INSTALLED & UNDER IMPLEMENTATION (as on 31.12.2016)							
Sl. No.	State	Potential		Projects Installed		Projects under Implementation	
			Total Capacity (MW)	Nos.	Capacity (MW)	Nos.	Capacity (MW)
1	Haryana	33	110.05	9	73.5	1	0.1
2	Himachal Pradesh	531	2397.91	180	798.81	27	211
3	J&K	245	1430.67	40	158.03	25	45.15
4	Jharkhand	103	208.95	6	4.05	0	0

(Source: MNRE -Ministry of New and Renewable Energy- Annual Report 2016-17)

The total installed capacity of small hydro projects, at the end of 11th Plan, was 3395 MW. This was achieved by adding an aggregate capacity of 1419 MW during 2007-2012. On an average 12th Plan target for small / mini hydro is 250 MW per year. Year wise target and achievements for the 2012-13, 2013-14, 2014-15, 2015-16 & 2016-17 is given in Table below:

Period	Target(MW)	Achievement(MW)
2012-13	300.00	236.94
2013-14	250.00	171.40
2014-15	250.00	251.60
2015-16	250.00	218.60
2016-17 (as on 30.11.2016)	150.00	50.90
Total	1200.00	929.44

(Source: MNRE Annual Report 2016-17)



Government incentives in SHP Projects

Small hydropower development being one of the thrust areas of power generation from renewables in the Ministry of New and Renewable Energy (MNRE) is encouraging development of small hydro projects in the State sector as well as through private sector participation in various States through various policy and financial initiatives

- The Ministry provides central financial assistance/ financial support in the form of grants/ assistance/ subsidy towards the following schemes / activities / sub-schemes.
 - a. Resource assessment and support for identification of new sites: scheme to support identification of new potential SHP sites, preparation of Plan and Detailed Project Report (DPR) including detailed survey & investigation(DSI) for SHP project sites to the Central / State government department and agencies/ local bodies.
 - b. Scheme to support for setting up new SHP projects in the private/ co-operative/ joint sector.
 - c. Scheme to support for setting up new SHP projects in the Government Sector.
 - d. Scheme to support for renovation and modernization of existing SHP projects in the government sector.
 - e. Scheme to support for development / up gradation of Water Mills (mechanical/ electrical output) and setting up Micro Hydel Projects (up to 100KWcapacity).
 - f. Research & Development and Human Resource Development: Support to R&D projects, strengthening of technical institutions, setting up turbine laboratory, business meets, training programme/ courses, fellowships etc., monitoring of SHP projects, consultancy and/ or any other activity left necessary for the SHP development. The Financial assistance is considered for these activities on case to case basis.

(Source: MNRE, <http://mnre.gov.in/schemes/grid-connected/small-hydro/>)

Road Ahead

The World is in a transition phase and energy is central to it. India has been responsible for almost 10% of the increase in global energy demand since 2000. India's energy demand in this period has almost doubled, pushing the country's share in global demand up to 5.7% in 2013 from 4.4% at the beginning of the century. The primary energy demand in India has grown from about 441 Mtoe (Million tonnes of Oil Equivalent) in 2000 to about 775 Mtoe in 2013. This demand is expected to increase to about 1250 (estimated by International Energy Agency) to 1500 (estimated in the Integrated Energy Policy Report) million toe in 2030. India's energy consumption has almost doubled since 2000 and the potential for further rapid growth is enormous. Yet the increase in domestic energy production is far below than India's consumption needs. By 2040 more than 40% of primary energy supply will be imported, up from 32% in 2013. It may also be noted that no country in the world has been able to achieve a Human Development Index of 0.9 or more without an annual energy supply of at least 4 toe per capita. Consequently, there is a large latent demand for energy services that needs to be fulfilled in order for people to have reasonable incomes and a decent quality of life.

Improving the energy efficiency, with the help of SHPs, meets the dual objective of promoting sustainable development and of making the economy competitive. Recognizing the formidable challenges of meeting the energy needs and providing adequate and varied energy of desired quality in a sustainable manner and at reasonable costs, improving efficiency have become important components of energy policy. In addition, the environmental and health burdens arising out of the use of hydrocarbons may also force mankind towards energy efficiency and clean energy systems. Energy Conservation has also assumed enhanced importance with a view to conserve depleting energy resources.

(Source: Ministry of Power, <http://powermin.nic.in/en/content/overview-2>)



SUMMARY OF BUSINESS

Overview

Our company, was originally incorporated on September 5, 2013 as a public limited company under the name and style of “**POM SEF Hydro Energy Limited**”. Puri Oil Mills Ltd. and Sai Engineering Foundation were the major shareholders of POM SEF Hydro Energy Limited at the time of incorporation. On, April 17th 2015, Puri Oil Mills Limited and its Group Companies acquired the entire shareholding of Sai Engineering Foundation and its associates. Subsequent to this the name of the Company was changed to POM Hydro Energy Limited.

We are a hydroelectric power generation company presently operating three private sector Small Hydro-electric Power Plant, with capacity of 4.8 Megawatt (MW) designed to produce electrical energy estimated at 27.10 Million Unit (MU) annually. These hydro assets were acquired through business transfer/ slump sale from Puri Oil Mills Limited (‘Puri Oil’) on April 01, 2016.

Location of Manufacturing Facility

We are presently operating three Small Hydro power Projects with a total capacity of 4.8 MW located in the states of Himachal Pradesh & Haryana, as detailed hereunder:-

Location	Capacity (MW)	Arrangement	Type
Mussapur District Karnal, Haryana	1.4	BOO	Irrigation canal based project
Khukhani District – Yamunanagar, Haryana	1.4	BOO	Irrigation canal based project
Chakshi District Kullu, Himachal Pradesh	2.0	BOOT	Run of the river

The Electric energy generated through these plants is being sold to respective State Government Utilities under long term Power Purchase Agreements (PPA).

Mussapur unit was the first Power Plant established with a project cost of ₹ 16.30 crores and started its operation on June 17, 2011. Later in the same year on September 30th our second plant of Khukhani was established at a cost of ₹17.48 crores. Further our third plant Chaksi with a total project outlay of ₹ 18.80 crores was established on February 22, 2012. The project completion cost however excludes liabilities on account of various obligations arising out of the contracts/ agreement signed with respective Governments Department/ Agencies.

Our Competitive Strengths

1. Long Term PPA with HPSEB and HPPC

We have entered into three Power Purchase Agreements with state utilities in the Northern region of India, as detailed under:

Khukhani & Mussapur Projects: Long term PPAs have been signed with Haryana Power Purchase Centre (HPPC) dated 13/08/2010 for a period of 25 years, subject to extension by another 10 years through mutual agreement. The tariff for these projects has been enhanced by Haryana Electricity Regulatory Commission vide order dated 28/08/2015. The tariff for the year 2017-18 is ₹ 3.80 /kwh (₹ 3.99 upto 29/09/2017).

Chakshi Project: Long term PPA has been signed with Himachal Pradesh State Electricity Board (HPSEB) dated 30/08/2007 for a period of 40 years @ ₹ 2.50 /kWh initially. Later on 28/11/2011 another supplementary PPA with a revised tariff of ₹ 2.95 kWh was signed when the project started commercial operations. Further there was a revision



in the PPA again and a supplementary PPA was signed on 05/02/2015 because of change in interconnection point from Barchaini Substation to our plant site in Chakshi.

These PPA's assure us the payment for sales of electricity to these state utilities. As per PPA, we are entitled for interest for the delayed payment by the utility which we have been actually receiving wherever the payment has been delayed. We have not experienced any significant delays in payment or payment defaults by such customers in the past, and we maintain strong working relationships with these customers. We believe that the long-term nature of our PPA provides us with stability in our operations, irrespective of the changing market scenario, during the currency of the PPA.

2. Assured Off-take

The PPA provides that HPSEB and HPPC shall purchase the entire power generated by the Power Plants and available for sale. Accordingly, during the currency of the PPA, we are insulated from market uncertainties and are not required to market the power generated.

3. Deemed generation

In case distribution licensee i.e. HPSEB and HPPC fails to evacuate the power from the Interconnection Point for any reason or instructs us not to generate power partially or completely then such a loss will be categorised as deemed generation and the distribution licensee will compensate us for deemed generation as per the provisions of the PPA.

4. No vagaries with respect to raw material costs

Since we operate a hydro-electric power plant which converts the energy of river flow into electrical energy, there are no specific raw material costs involved. Accordingly, we are insulated from changes in raw material prices.

5. Protection against Competition

As mentioned above, HPSEB and HPPC are required to purchase the entire power generated by the Power Plants and available for sale at the Interconnection Point from the Company under the PPA at the approved tariff. Accordingly, during the currency of the PPA, our revenues shall not be affected due to competition.

6. Experienced Management

We are in the business of generation of hydroelectric power since 2011 through our holding company Puri Oil Mills Ltd. We have recruited experienced managerial and technical personnel in the operation and management of hydro-electric power plants. We believe that we will be able to leverage our experience in operating hydroelectric projects to develop and operate our existing pipeline of projects as well as source new projects in the future. For details of our key managerial personnel, please refer to the section titled "Our Management - Key Managerial Personnel" of this Draft Prospectus.

7. Environment friendly plant

Our Power Plants are canal based and run-of-the-river type small hydro projects. All our projects are environment friendly and harness the renewable natural resources for generation. Operations of the Power Plants do not involve release of harmful emissions or pollutants.

8. Efficient and Lean Operations & Maintenance (O&M) Practices

Our Company with its expertise and understanding of Hydro Business has been able to successfully run all its existing project. Our O&M practices are highly efficient resulting into minimal plant outage instances. With higher generation at lower running cost the payback period for all projects has reduced significantly.

**9. No wheeling Charges**

For our Haryana projects, wheeling charges have been waived by Hon'ble Supreme Court and thus we have special advantage and the utility has refunded the amount against wheeling charges deducted. In addition to this being in Himachal Pradesh, wheeling charges are also not applicable for our Chakshi Project.

10. Ease of access

In Haryana our power generation plant sites are accessible by well-built motor able road up to the project site/power house. Such an ease in access help in operating and maintenance of the plant efficiently and address any contingency in a minimal time to avoid any generation loss.

11. No transmission losses

Transmission loss is the loss of energy which happens in the process of power off take through transmission lines from generation plant up to the delivery point. The Delivery point is where the electricity is measured and billed. The longer are the transmission lines (being delivery point far from generating plant) the more are the energy losses. Since the delivery point is the switchyard of the plant our Project saves a significant amount of cost on account of lesser transmission loss resulting in higher saleable generation.

Capacity & Capacity Utilization**Mussapur**

Particulars	As at					
	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018*	March 31, 2019*	March 31, 2020*
Installed capacity (MW)	1.4	1.4	1.4	1.4	1.4	1.4
Saleable Energy (MU)	9.53	6.65	9.41	9.20	9.20	9.20
Plant availability factor/capacity index (%)	78	54	76.75	75	75	75
Normative annual plant availability factor (%)	56	56	56	56	56	56

* Company Estimates - PLF is variable dependent upon various factors

Mussapur		PLF
Years	Generation (Kwh)	
2013-14	8,341,622	68%
2014-15	9,538,350	78%
2015-16	6,652,078	54%
2016-17	9,406,770	77%



Khukhani

Particulars	As at					
	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018*	March 31, 2019*	March 31, 2020*
Installed capacity (MW)	1.4	1.4	1.4	1.4	1.4	1.4
Saleable energy (MU)	9.20	6.46	8.51	9.20	9.20	9.20
Plant availability factor/capacity index (%)	75	53	69.41	75	75	75
Normative annual plant availability factor (%)	56	56	56	56	56	56

* Company Estimates- PLF is variable dependent upon various factors

Khukhani		PLF
Years	Generation (Kwh)	
2013-14	6,644,444	54%
2014-15	9,204,147	75%
2015-16	6,466,709	53%
2016-17	8,511,566	69%

Chakshi

Particulars	As at					
	March 31, 2015	March 31, 2016	March 31, 2017*	March 31, 2018*	March 31, 2019*	March 31, 2020*
Installed capacity (MW)	2	2	2	2	2	2
Saleable energy (MU)	7.12	7.21	8.88	8.76	8.76	8.76
Plant availability factor/capacity index (%)	41	41	50.68	50	50	50
Normative annual plant availability factor (%)	45	45	45	45	45	45

* Company Estimates- PLF is variable dependent upon various factors

Chakshi		PLF
Years	Generation (Kwh)	
2013-14	8,646,200	49%
2014-15	7,119,900	41%
2015-16	7,213,300	41%
2016-17	8,881,500	51%



Future Outlook and Business Strategy

Capacity Expansion

We see opportunities for growth in the power sector as GOI ushers comprehensive reforms in all segments of power sector – generation, transmission and distribution. The renewed thrust on private sector participation in the power sector by the GOI opens up new avenues for growth for our business. Given POM Hydro's hands on experience in hydro power generation in Himachal Pradesh and Haryana, we expect to leverage our own and the groups capabilities for enlarging its footprints in all related fields of generation, transmission and distribution. Our company has significant expansion plans to add up its capacity with an objective of creating value for its stakeholder by strategically focus on opportunities which provide above average market returns. For this Company is adopting four pronged strategy:

- **Acquisition of power projects**

POM Hydro is actively looking to acquire hydro project which are operational or nearing commencement with Long term PPA. Further, the Company is also looking to acquire power projects with low per MW capital outlay and short gestation period. Such a strategy will reduce the execution risk, help in optimally utilizing its capital and reduce the payback period significantly. The Company plans to add up significant capacities in next three years from acquisition.

Company has four small hydro power projects with capacity totaling to 25.75 MW approximately. These project are in different phases of execution, details of which are given below:

Location	Capacity (MW)	Type	Status
UHL District Mandi, Himanchal Pradesh	14.00	Run of the river	Revised DPR approval & TEC awaited. Forest clearance from MOEF awaited
Khajuri District Yamunanagar, Haryana	2.15	Irrigation canal based project	Detailed Project Report (DPR) has been filed & approval is awaited.
Mainmatti District Karnal, Haryana	2.10	Irrigation canal based project	Detailed Project Report (DPR) has been filed & approval is awaited.
Kilhi Behl District Kangra, Himachal Pradesh	7.50	Run of the river	Detailed Project Report (DPR) has been filed & approval is awaited.

- **Capacity Enhancement of existing projects**

The capacity enhancement of our Khukhani & Mussapur power projects by 0.7 MW has been approved. This capacity enhancement is on account of increased discharge because of augmentation of canal. For such an expansion there will be less capital outlay as we have to only install plant & machinery with minor civil work.



Other than this we are exploring to expand our capacities in canal based project since they have lesser uncertainties, high PLF, low execution risk and high profitability.

- ***Canal top Solar projects:***

Our Company is also contemplating to set up two canal top solar power project (4.3 MW and 6.2 MW each) near its existing hydro power plant (Mussapur and Khukhani). These projects will result in significant synergies with reduction in the cost of the project by using shared infrastructure and manpower for the proposed solar canal-top and Canal-bank. Preliminary studies for the mentioned projects have been conducted and pre-feasibility reports have been filed with Haryana Renewable Energy Development Agency (HAREDA) for approval.

- ***Efficient O&M of current projects***

Our three small hydro power projects having capacity of 4.8 MW are running successfully for the more than 5 years. and we have signed long term Power Purchase Agreement (PPA) with respective State governments. We will continuously focus on key areas where there is scope of increasing efficiency of plant, generation potential and minimizing losses. We are conscious that the finalisation of tariff is a priority for our business and operations for which approval of revised tariff in line with Central Electricity Regulatory Commission (CERC) Tariff is necessary. All necessary steps for the same are being taken up.



SUMMARY OF FINANCIAL STATEMENTS OF OUR COMPANY

SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Amount in ₹ in lacs)

Sr. No.	Particulars	As at Sept 30, 2017	As at 31st March			
			2017	2016	2015	2014
A.	Non current assets					
	Fixed assets					
	Tangible assets	2,458.88	2,545.26	-	-	-
	Less: Revaluation Reserve	-	-	-	-	-
	Net Block after adjustment for Revaluation Reserve	2,458.88	2,545.26	-	-	-
	Intangible Assets	17.80	30.98	-	-	-
	Goodwill	16.69	17.57	-	-	-
	Capital Work in Progress	824.84	807.08	-	-	-
	Long term loans and advances	185.83	119.83	-	-	-
	Other non-current assets	-	-	-	0.24	0.32
	Total non current assets	3504.04	3,520.73	-	0.24	0.32
B.	Current assets					
	Trade receivables	91.79	117.65	-	-	-
	Cash and bank balances	301.57	198.96	4.70	4.95	4.99
	Short term loans and advances	37.18	29.16	-	-	-
	Other current assets	106.48	66.96	-	-	-
	Total current assets	537.02	412.73	4.70	4.95	4.99
C.	Non current liabilities					
	Long term borrowings	339.88	546.95	-	-	-
	Deferred Tax Liabilities (Net)	27.84	15.70	-	-	-
	Long term provisions	1.40	1.40	-	-	-
	Total non current liabilities	369.12	564.05	-	-	-
D.	Current liabilities					
	Short term borrowings	105.85	35.30	-	-	-
	Trade payables	18.05	14.25	-	-	-
	Other current liabilities	356.72	408.35	0.62	0.50	0.45
	Short term provisions	93.89	124.68	-	-	-
	Total current liabilities	574.51	582.58	0.62	0.50	0.45
	Net Worth(A+B-C-D)	3,097.43	2,786.82	4.08	4.69	4.86
	Represented by:					
E.	Share capital	805.00	805.00	5.00	5.00	5.00
F.	Reserves and surplus	2,292.43	1,981.82	(0.92)	(0.31)	(0.14)
	Less: Revaluation Reserve	-	-	-	-	-
	Reserves & Surplus (Net of revaluation reserves)	2,292.43	1,981.82	(0.92)	(0.31)	(0.14)
	Net Worth (E+F)	3,097.43	2,786.82	4.08	4.69	4.86

The above statement should be read with the Statement of Notes to Restated Summary Statements of the Company in Annexure IV appearing under section titled Financial Information appearing on page 145 of the Draft Prospectus.



SUMMARY STATEMENT OF PROFITS AND LOSSES, AS RESTATED

(Amount in ₹lacs)

Particulars	As at Sept 31, 2017	For the year ended 31st March			
		2017	2016	2015	2014
Revenue					
Revenue from operations	551.71	993.77	-	-	-
Other income	7.59	11.66	-	-	-
Total Revenue	559.30	1,005.43	-	-	-
Expenses					
Employee benefit expense	45.64	87.54	-	-	-
Finance cost	46.41	132.74	0.01	0.01	0.01
Depreciation expense - Tangible Assets	103.01	217.59	-	-	-
Amortization expense - Intangible Assets	2.17	2.72	-	-	-
Preliminary Expenses Written Off	-	-	0.24	0.08	0.08
Other expenses	39.32	69.52	0.36	0.08	0.05
Total Expenses	236.55	510.10	0.61	0.17	0.14
Profit before tax	322.75	495.33	(0.61)	(0.17)	(0.14)
Tax					
Current tax					
Minimum Alternate Tax	66.00	103.00	-	-	-
Less: MAT Credit Entitlement	66.00	103.00	-	-	-
Net Current Tax	-	-	-	-	-
Deferred tax	12.15	15.70	-	-	-
Total Tax Expenses	12.15	15.70	-	-	-
Net profit as restated	310.61	479.63	(0.61)	(0.17)	(0.14)

The above statement should be read with the Statement of Notes to Restated Summary Statements of the Company in Annexure IV appearing under section titled Financial Information appearing on page 145 of the Draft Prospectus.



STATEMENT OF CASH FLOWS, AS RESTATED

(Amount in ₹lacs)

Particulars	As at Sept 30, 2017	For the year ended 31st March			
		2017	2016	2015	2014
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net profit before tax, as restated	322.75	495.33	(0.61)	(0.17)	(0.14)
Adjustments for:					
Depreciation and amortization	105.18	220.31	-	-	-
Miscellaneous Expenditure Written Off	-	-	0.24	0.08	0.08
Finance Cost	46.39	132.73	-	-	-
Interest income	(7.59)	(9.15)	-	-	-
Dividend Income	-	-	-	-	-
Operating profit before working capital changes	466.74	839.22	(0.37)	(0.09)	(0.06)
Adjustments for Increase / Decrease in:					
Long Term Provisions	-	1.40	-	-	-
Short Term Provisions	(30.80)	124.68	-	-	-
Trade Payable	3.80	14.25	-	-	-
Other Current Liabilities	(51.62)	407.73	0.12	0.05	0.45
Long Term Loan and Advances	(66.00)	(119.83)	-	-	-
Short Term Loan and Advances	(8.02)	(29.16)	-	-	-
Other Non Current Assets	-	(17.57)	-	-	(0.40)
Trade Receivable	25.86	(117.65)	-	-	-
Other Current Assets	(39.52)	(66.96)	-	-	-
Cash generated from operations	300.43	1,036.13	(0.26)	(0.04)	(0.01)
Income taxes paid (including fringe benefit tax)	-	-	-	-	-
Net Cash from Operating activities	300.43	1,036.13	(0.26)	(0.04)	(0.01)
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchases of fixed assets including out of Grants	(4.75)	(2,796.56)	-	-	-
Net Purchase and Sale of Investments	(4.75)	(2,796.56)	-	-	-
Interest income	7.59	9.15	-	-	-
Capital Work in Progress	(17.75)	(807.08)	-	-	-
Net cash used in investing activities	(14.91)	(3,594.49)	-	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES					
Changes in Long Term Borrowings	(207.07)	546.95	-	-	-
Changes in Short Term Borrowings	70.55	35.30	-	-	-
Interest Paid	(46.39)	132.73	-	-	-
Increase in Share Capital	-	800.00	-	-	5.00
Increase in Share Premium	-	1,600.00	-	-	-
Payment of Dividend	-	80.50	-	-	-



Payment of Dividend Taxes	-	16.39	-	-	-
Net Cash from/used in financing activities	(182.91)	2,752.63	-	-	5.00
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	102.61	194.26	(0.26)	(0.04)	4.99
Opening cash and cash equivalents	198.96	4.70	4.95	4.99	-
Closing cash and cash equivalents*	301.57	198.96	4.70	4.95	4.99

The above statement should be read with the Statement of Notes to Restated Summary Statements of the Company in Annexure IV appearing under section titled Financial Information appearing on page 145 of the Draft Prospectus.



SUMMARY OF FINANCIAL STATEMENTS OF OUR PROMOTER COMPANY-PURI OIL MILLS LIMITED.

Note : The financial information of Puri Oil Mills Ltd, our promoter and holding company have been included in this section. As mentioned elsewhere in the offer document, the hydro power business was conducted in Puri Oil Mills Ltd. since 2006. Though our company was incorporated in September 2013, the hydro business was transferred into our company from our holding company by virtue of business transfer agreement effective from April 01, 2016. The summary of restated financial information of our holding company is been included with a bifurcation of oil and hydro business for better understanding of asset and liabilities, profit and loss and cash flow of the pertaining to the hydro business. The said summary is an extract of financial information duly certified by statutory auditors of our holding company.

Annexure I - SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(Amount in ₹ lacs)

Sr. No.	Particulars	2017	2016		2015		2014		2013	
		Oil & others	Hydro	Oil & others	Hydro	Oil & others	Hydro	Oil & others	Hydro	Oil & others
A.	Non current assets									
	Fixed assets									
	Tangible assets	2718.48	4153.10	2740.87	4267.92	2678.91	4347.66	2750.98	4732.08	2810.33
	Less: Revaluation Reserve	2202.41	-	2221.37	-	2243.08	-	2267.17	-	2288.89
	Net Block after adjustment for Revaluation Reserve	516.07	4153.10	519.50	4267.92	435.83	4347.66	483.81	4732.08	521.44
	Intangible Assets	0.02	25.17	0.04	26.02	0.06	33.70	0.01	33.70	-
	Capital Work in progress	-	738.07	-	689.32	-	534.35	-	519.61	-
	Non-current Investments	2417.61	-	17.90	-	15.65	-	15.65	-	2.90
	Long term loans and advances	145.25	16.83	175.01	16.83	204.22	131.83	182.28	254.80	211.56
	Other non-current assets	-	-	-	-	-	-	-	-	-
	Total non current assets	3078.95	4933.17	712.45	5000.09	655.76	5047.54	681.75	5540.19	735.90
B.	Current assets									
	Current investments	-	-	-	-	-	-	-	-	-
	Inventories	1325.04	-	1102.20	-	1069.05	0.09	1189.98	-	1018.23
	Trade receivables	274.14	56.71	344.22	129.13	286.15	79.85	290.17	110.95	326.96
	Cash and bank balances	2751.24	101.81	2497.24	88.13	1495.18	0.62	1358.09	1.46	985.95



	Short term loans and advances	58.85	28.37	46.57	30.06	26.06	31.44	18.42	30.72	19.09
	Other current assets	53.11	64.03	82.86	64.18	64.13	42.54	76.47	72.27	40.67
	Total current assets	4462.38	250.92	4073.09	311.50	2940.57	154.54	2933.13	215.40	2390.90
C.	Non current liabilities									
	Long term borrowings	33.75	944.27	73.51	1341.38	22.37	1740.11	17.95	2190.92	69.23
	Deferred Tax Liabilities (Net)	(37.66)	457.96	(36.67)	372.43	(35.93)	283.25	(8.94)	263.53	(18.54)
	Other Non-current Liabilities	-	-	-	-	-	-	-	-	-
	Long term provisions	112.99	6.89	89.84	4.88	73.02	3.36	62.79	3.76	77.06
	Total non current liabilities	109.08	1409.12	126.68	1718.69	59.46	2026.72	71.80	2458.21	127.75
D.	Current liabilities	-								
	Short term borrowings	303.26	40.35	392.47	-	247.96	14.56	455.01	22.86	468.69
	Trade payables	1008.22	14.77	1035.69	16.79	879.04	17.43	776.03	15.20	527.47
	Other current liabilities	906.48	410.08	888.15	405.60	304.43	359.71	324.11	382.84	388.88
	Short term provisions	262.31	2.51	112.30	1.58	175.11	1.93	172.15	1.06	240.98
	Total current liabilities	2480.27	467.71	2428.61	423.97	1606.54	393.63	1727.30	421.96	1626.02
	Net Worth	4951.98	3307.26	2230.25	3168.93	1930.33	2781.73	1815.78	2875.42	1373.03
	(A+B-C-D)									
	Represented by:									
E.	Share capital	940.08	-	940.08	-	940.08	325.00	615.08	25.00	615.08
F.	Reserves and surplus	6214.31	448.66	6370.14	261.10	6141.16	(94.58)	6019.18	(19.67)	5616.93
	Less: Revaluation Reserve	2202.41	-	2221.37	-	2243.08	-	2267.17	-	2288.89
	Reserves & Surplus(Net of revaluation reserves)	4011.90	448.66	4148.77	261.10	3898.08	(94.58)	3752.01	(19.67)	3328.04
	Share Application Money Pending Allotment	-	-	-	-	-	-	-	300.00	-
	Head Office Account	-	2858.60	(2858.60)	2907.83	(2,907.83)	2551.31	(2,551.31)	2570.09	(2,570.09)
	Net Worth (E+F)	4951.98	3307.26	2230.25	3168.93	1930.33	2781.73	1815.78	2875.42	1373.03



**SUMMARY OF FINANCIAL STATEMENTS OF OUR PROMOTER COMPANY-PURI OIL MILLS LIMITED.
Annexure II - SUMMARY STATEMENT OF PROFITS AND LOSSES**

(Amount in ₹ lacs)

Particulars	2017	2016		2015		2014		2013	
	Oil & others	Hydro	Oil & others	Hydro	Oil & others	Hydro	Oil & others	Hydro	Oil & others
Revenue									
Revenue from operations	27351.50	721.55	24939.90	971.53	21220.07	819.75	20558.76	918.05	21521.97
Other income	186.35	9.02	149.23	13.31	130.37	1.82	167.47	104.95	99.10
Total Revenue	27537.85	730.57	25089.13	984.84	21350.44	821.57	20726.23	1023.00	21621.07
Expenses									
Operating Costs	23982.88	-	22255.43	-	18629.86	-	17940.41	-	18985.42
Employee benefit expense	839.31	82.36	761.51	82.28	743.67	97.12	603.95	69.90	547.64
Finance cost	36.98	189.10	58.74	240.85	55.41	290.20	57.32	354.38	119.93
Depreciation expense - Tangible Assets	141.26	116.58	146.62	123.08	153.96	391.52	108.62	387.50	120.09
Less: Transferred from Revaluation Reserve	-	-	-	-	-	-	(21.72)	-	(23.60)
Amortization expense - Intangible Assets	-	-	-	-	-	-	-	-	-
Other expenses	1851.11	71.04	1302.80	93.78	1423.55	97.92	1306.04	121.44	986.19
Total Expenses	26851.54	459.08	24525.10	539.99	21006.45	876.76	19994.62	933.22	20735.67
Profit before tax	686.31	271.49	564.03	444.85	343.99	(55.19)	731.61	89.78	885.40
Tax									
Current tax	275.00	-	215.00	-	143.64	-	190.00	-	226.16
Fringe benefit tax	-	-	-	-	-	-	-	-	-
Deferred tax	(458.96)	83.93	0.87	89.17	(27.00)	19.72	9.60	75.01	1.76
Income Tax Adjustment of earliar years	(3.61)	-	5.79	-	(8.18)	-	(2.40)	-	(0.16)
Wealth Tax	0.01	-	0.23	-	0.39	-	0.45	-	0.31
Total Tax Expenses	(187.56)	83.93	221.89	89.17	108.85	19.72	197.65	75.01	228.07
Net profit	873.87	187.56	342.14	355.68	235.14	(74.91)	533.96	14.77	657.33



SUMMARY OF FINANCIAL STATEMENTS OF OUR PROMOTER COMPANY-PURI OIL MILLS LIMITED.

Annexure III - STATEMENT OF CASH FLOWS

(Amount in ₹ lacs)

Particulars	For the year ended 31st March								
	2017	2016		2015		2014		2013	
Segment -	Oil & others	Hydro	Oil & others	Hydro	Oil & others	Hydro	Oil & others	Hydro	Oil & others
A. CASH FLOW FROM OPERATING ACTIVITIES									
Net profit before tax	686.31	271.49	564.03	444.85	343.99	(55.19)	731.61	89.78	885.40
Adjustments for:									
Depreciation and amortization	141.26	116.58	146.62	123.08	153.96	391.52	86.90	282.81	96.49
Finance Cost	36.98	189.10	58.74	240.85	55.41	290.20	57.32	354.38	119.93
Loss on sale of fixed assets	(0.48)	-	(9.43)	-	(3.20)	-	(1.30)	-	(0.99)
Interest income	(156.85)	(6.24)	(129.50)	(1.76)	(117.69)	(1.28)	(97.32)	-	(66.66)
Dividend Income	-	-	-	-	-	-	-	-	-
Operating profit before working capital changes	707.22	570.93	630.46	807.02	432.47	625.25	777.21	726.97	1034.17
Adjustments for Increase / Decrease in									
Long Term Provisions	23.15	2.01	16.82	1.52	10.23	(0.40)	(14.27)	0.54	15.88
Short Term Provisions	150.01	0.93	(62.81)	(0.35)	2.96	0.87	(68.83)	0.76	120.65
Trade Payable	(27.47)	(2.02)	156.65	(0.64)	103.01	2.23	248.56	(41.69)	(54.16)
Other Current Liabilities	18.33	4.48	583.72	45.89	(19.68)	(23.13)	(64.77)	(126.29)	88.96
Other Long Term Liabilities	-	-	-	-	-	-	-	-	-
Long Term Loan and Advances	29.76	-	29.21	115.00	(21.94)	122.97	29.28	-	(15.52)
Short Term Loan and Advances	(12.28)	1.69	(20.51)	1.38	(7.64)	(0.72)	0.67	34.70	19.78
Other Non Current Assets	-	-	-	-	-	-	-	-	-
Inventories	(222.84)	-	(33.15)	0.09	120.93	(0.09)	(171.75)	-	(40.24)



Trade Receivable	70.08	72.42	(58.07)	(49.28)	4.02	31.10	36.79	(81.69)	(70.22)
Other Current Assets	29.75	0.15	(18.73)	(21.64)	12.34	29.73	(35.80)	4.24	(9.17)
Subtotal	58.49	79.66	593.13	91.97	204.23	162.56	(40.12)	(209.43)	55.96
Cash generated from operations	765.71	650.59	1223.59	898.99	636.70	787.81	737.09	517.54	1090.13
Income taxes paid (including fringe benefit tax)	290.54	-	240.17	-	155.00	-	204.03	-	236.69
Net Cash from Operating activities	475.17	650.59	983.42	898.99	481.70	787.81	533.06	517.54	853.44
B. CASH FLOW FROM INVESTING ACTIVITIES									
Purchases of fixed assets including out of Grants	(126.02)	(49.66)	(199.13)	(190.63)	(78.740)	(21.84)	(47.98)	(267.05)	(149.36)
Sale of Fixed Assets	7.66	-	-	-	-	-	-	-	-
Sale of Hydro Business	2400.00	-	-	-	-	-	-	-	-
Net Purchase and Sale of Investments	(2399.71)	-	(2.25)	-	-	-	(12.75)	-	-
Interest income	156.85	6.24	129.50	1.76	117.69	1.28	97.32	-	66.66
Bank Balnce FDR Trf to Hydro Buisness	(101.80)	-	-	-	-	-	-	-	-
Net cash used in investing activities	(63.02)	(43.42)	(71.88)	(188.87)	38.95	(20.56)	36.59	(267.05)	(82.70)
C. CASH FLOW FROM FINANCING ACTIVITIES									
Changes in Long Term Borrowings	(39.76)	(397.11)	51.14	(398.73)	4.42	(450.81)	(51.28)	(361.20)	44.98
Changes in Short Term Borrowings	(89.21)	40.35	144.51	(14.56)	(207.05)	(8.30)	(13.68)	22.86	(160.84)
Interest Paid	(36.98)	(189.10)	(58.74)	(240.85)	(55.41)	(290.20)	(57.32)	(354.38)	(119.93)
Payment of Dividend	(94.01)	-	(94.01)	-	(94.01)	-	(94.01)	-	(64.01)
Own Contribution-Head office	-	(49.23)	49.23	31.52	(31.52)	(18.78)	18.78	441.91	(441.91)
Net Cash from/used in financing activities	(259.96)	(595.09)	92.13	(622.62)	(383.57)	(768.09)	(197.51)	(250.81)	(741.71)
NET INCREASE / (DECREASE) IN CASH	152.19	12.08	1003.67	87.50	137.08	(0.84)	372.14	(0.32)	29.03
AND CASH EQUIVALENTS									
Opening cash and cash equivalents	2599.05	88.13	1495.18	0.62	1358.09	1.46	985.95	1.78	956.92
Closing cash and cash equivalents*	2751.24	100.21	2498.85	88.12	1495.17	0.62	1358.09	1.46	985.95

**THE ISSUE****PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS**

Equity Shares Offered: Present Issue of Equity Shares by our Company	28,84,000 Equity Shares of ₹10 each for cash at a price of ₹[•] per share aggregating ₹[•] lakhs
Of which:	
Issue reserved for Market Makers	1,46,000 Equity Shares of ₹ 10 each for cash at a price of ₹[•] per share aggregating ₹[•] lakhs
Net Issue to the public	27,38,000 Equity Shares of ₹ 10 each for cash at a price of ₹[•] per share aggregating ₹[•] lakhs
Of which:	
Non Retail Portion*	[•] Equity Shares of ₹ 10 each for cash at a price of ₹[•] per share aggregating ₹[•] lakhs
Retail Portion*	[•] Equity Shares of ₹ 10 each for cash at a price of ₹[•] per share aggregating ₹[•] lakhs
Equity shares outstanding prior to the Issue	80,50,000 Equity Shares of ₹ 10 each
Equity shares outstanding after the Issue	1,09,34,000 Equity Shares of ₹ 10 each
Objects of the Issue	Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 72 of this Draft Prospectus.

* Under-subscription, if any, in any category, shall be allowed to be met with spill over from the other category, at the sole discretion of our Company and in consultation with the Lead Manager and the Designated Stock Exchange.

This Issue is being made in terms of Chapter XB of the SEBI ICDR Regulations as amended from time to time. For further details, please see the section titled “Issue related information” beginning on page 231 of this Draft Prospectus.

As per Regulation 43(4) of the SEBI ICDR Regulations, as amended, the Issue being a Fixed Price Issue, the allocation in the net Issue to the public shall be made as follows:

- (a) Minimum fifty percent to retail investors, and
- (b) Remaining to
 - i. Individual applicants
 - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- (c) The unsubscribed portion in either categories specified in (a) or (b) above may be allocated to the applicants in the other category

The present Issue has been authorized pursuant to a Board resolution dated July 22, 2017 and a Special resolution passed by the shareholders of our Company pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Annual General Meeting held on September 16, 2017.



GENERAL INFORMATION

Our Company was incorporated as a public limited company on September 5, 2013 under the provisions of the Companies Act, 1956 as POM SEF Hydro Energy Limited with the Registrar of Companies, Himachal Pradesh and obtained certificate of commencement of business on March 26, 2014. For further details please see the chapter titled “History and Certain Corporate Matters” beginning on page 119 of this Draft Prospectus.

Company Information:

Registered Office	<p>POM Hydro Energy Limited, 131/06 Samkhetar Bazar, Mandi, Himachal Pradesh - 175001. Tel No: 01905-222106 Email: rkeshry@purioilmills.com Website: www.pomhydroenergy.com</p> <p>Registration Number: U40109HP2013PLC000514</p> <p><i>For details relating to changes in our registered office, see the section titled “History and Certain Corporate Matters - Changes in Registered Office” on page 119 of this Draft Prospectus.</i></p>
Corporate Office	<p>POM Hydro Energy Limited, 302, Jyoti Sikhar Building, 8 District Centre, Janak Puri, New Delhi – 110058 Tel No: 011-64300125 Fax No: 91-11-25591222 Email: rkeshry@purioilmills.com</p> <p>Website: www.pomhydroenergy.com Registration Number: U40109HP2013PLC000514</p> <p><i>For details relating to changes in our registered office, see the section titled “History and Certain Corporate Matters - Changes in Registered Office” on page 119 of this Draft Prospectus.</i></p>
Corporate Identification No.	U40109HP2013PLC000514
Address of Registrar of Companies	<p>Address: Corporate Bhawan, Plot No.4 B Sector 27 B, Madhya Marg, Chandigarh – 160019 Phone: 0172-2639415,2639416 Fax: 0172-2639416</p>

BOARD OF DIRECTORS:

The Board of our Company comprises of the following:

Name	DIN	Address
Mr. Vivek Puri (Chairperson & Managing Director)	00666237	-E-7 Old Ind. Area BahadurgarhDistt. Jhajjar-124507, Haryana.
Mr. Ramesh Chander (Whole time director)	06431761	House No. 16, Ward No. 15, Gali No. 1, New Town, Moga-142001,Punjab



Mrs. Indu Puri (Director)	00805104	7/56, Gandhi Road, Moga-142001, Punjab.
Mrs. Shalini Puri (Director)	00796112	E-7 Old Ind. Area, Bahadurgarh Distt. Jhajjar-124507, Haryana.
Mr. Tarun Khanna (Independent Director)	02306480	B-9/21, Vasant Vihar, Delhi 110057
Mr. Alok Krishna Agarwal (Independent Director)	00127273	A-56, Gulmohar Park, New Delhi 110049

For further details, please refer to the chapter titled “*Our Management*” beginning on page 125 of this Draft Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Rajesh Kumar Keshry
POM Hydro Energy Limited,
302, Jyoti Sikhar Building, 8 District Centre, Janak Puri, New Delhi – 110058
Tel No: 011-64300125
Fax No: 91-11-25591222
Email: rkeshry@purioilmills.com
Website: www.pomhydroenergy.com **CIN Number:** U40109HP2013PLC000514

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted shares in the respective beneficiary account and refund orders.

All grievances relating to the Issue may be addressed to the Registrar, giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount paid on submission of the Application Form and the bank branch or collection centre where the Application Form was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar with a copy to the relevant SCSB giving full details such as name, address of applicant, application number, number of Equity Shares applied for, amount blocked on application and Designated Branch or the collection centre of the SCSBs.

LEAD MANAGER

Keynote Corporate Services Limited
The Ruby, 9th Floor,
Senapati Bapat Marg,
Dadar (West), Mumbai – 400 028
Tel: +91 22 3026 6000 - 10
Fax: +91-22-30266088
Email: mbd@keynoteindia.net
Website: www.keynoteindia.net
Contact Person: Mr. Akhil Mohod
SEBI Registration No: INM 000003606



LEGAL COUNSEL TO THE COMPANY

Vaish Associates Advocates

Address: 9th Floor, Mohan Dev Building, 13 Tolstoy Marg, New Delhi-110001

Tel No: +91-11-42492701

Fax No: +91-11-23320484

Email: vinay@vaishlaw.com

Contact Person: Mr. Vinay Vaish

STATUTORY AND PEER REVIEW AUDITORS TO OUR COMPANY

Amit Ray & Co.

Chartered Accountants

Address: 5-B, Sardar Patel Marg, Allahabad-211 001

Tel No: 2402763, 2407258

Fax: (0532) 2402763

Email: allahabad@amitrayco.com, amitray@sancharnet.in

Firm registration number: 000483C

Website: www.amitrayco.in

Peer Review Certificate number: 007958

REGISTRAR TO THE ISSUE

Name : BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED

Address : Beetal House, 3rd floor, 99, Madangir, Behind Local Shopping Centre, New Delhi – 110 062

Tel No: 011-29961281-283

Fax: 011-29961284

Email: beetal@beetalfinancial.com

Website: www.beetalfinancial.com

Contact Person: Mr. Punit Mittal

SEBI Registration Number: INR000000262

BANKERS TO OUR COMPANY

Name : State Bank of India

Address : Industrial Complex Branch, Bahadurgarh

Tel. No.: 01276-239664

Fax No.: +91-1276-220415

Email : sbi.05697@sbi.co.in

Website: www.sbi.co.in

Contact Person: Mr. Alok Rai, RMME

ESCROW COLLECTION BANK/ PUBLIC ISSUE ACCOUNT BANK/ REFUND BANK

Escrow Collection Banks/ Public Issue Account Bank/ Refund Bank shall be appointed prior to filing of the Prospectus with the RoC.

SELF CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> as updated from time to time. Further, the branches of the SCSBs where the Syndicate at the Specified Locations could submit the Application Form are provided on the aforementioned website of SEBI.

REGISTERED BROKERS

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012; Applicants can submit Application Forms Registered Brokers at the Broker Centres.

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is



provided on the websites of the BSE and the NSE at <http://www.bseindia.com> and <http://www.nseindia.com>, respectively.

COLLECTING DEPOSITORY PARTICIPANT

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the CDPs, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at <http://www.bseindia.com> and <http://www.nseindia.com>, respectively.

COLLECTING RTAs

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

The list of Collecting RTAs, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at <http://www.bseindia.com> and <http://www.nseindia.com>, respectively.



STATEMENT OF RESPONSIBILITIES

Keynote Corporate Services Limited is the sole Lead Manager to this Issue and shall be responsible for the following activities:

Sr. No.	Activity
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, etc.
2.	Drafting and design of the offer document and of the advertisement or publicity material including newspaper advertisement and brochure or memorandum containing salient features of the offer document.
3.	Selection of various agencies connected with issue, such as registrars to the issue, printers, advertising agencies, etc.
4.	Marketing of the issue, which shall cover, <i>inter alia</i> , formulating marketing strategies, preparation of publicity budget, arrangements for selection of (i) ad-media, (ii) centres for holding conferences of stock brokers, investors, etc., (iii) bankers to the issue, (iv) collection centres as per schedule III, (v) brokers to the issue, and (vi) underwriters and underwriting arrangement, distribution of publicity and issue material including application form, prospectus and brochure and deciding upon the quantum of issue material.
5.	Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, despatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self Certified Syndicate Banks, etc. Ordinarily, one lead merchant banker shall be responsible for the post-issue activities.

IPO GRADING

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

CREDIT RATING

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

EXPERTS

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

Our Company has received written consent from the Statutory Auditors, who hold a valid peer review certificate, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as an expert as defined under section 2(38) of the Companies Act, 2013 in respect of the examination report dated January 08, 2018 and the statement of tax benefits dated January 08, 2018, included in this Draft Prospectus and such consents have not been withdrawn as on the date of this Draft Prospectus. As the Equity Shares in the Issue will not be registered under the U.S. Securities Act, any references to the term “expert” herein and the Statutory Auditor’s consent to be named as an “expert” to the Issue are not in the context of a U.S. registered offering of securities.

TRUSTEES

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



MONITORING AGENCY

As per Regulation 16 (1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹ 10,000 Lakhs. Since the Issue size is only of ₹ [●] lakhs, our Company has not appointed any monitoring agency for this Issue. The objects of the Issue are not appraised by any agency. The objects of the Issue and the means of finance are therefore based on the internal estimates of the Company. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

APPRAISING AGENCY

No appraising agency has been appointed in respect of any objects of our Company.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company in consultation with the Lead Manager, reserve the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue anytime after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) Working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Prospectus with the Stock Exchange where the Equity Shares may be proposed to be listed.

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

UNDERWRITING AGREEMENT

This Issue is 100% underwritten. The underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter are several and are subject to certain conditions specified therein. The Underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue:

Name and Address of the Underwriter	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ In Lacs)	% of the Total Issue size Underwritten
[●]	[●]	[●]	100%

Note: With regard to the Market Maker Reservation Portion, it is compulsory that the Market Maker subscribes to the specific portion of the Issue set aside as "Market Maker Reservation Portion" as it needs to be subscribed in its own account in order to claim compliance with the requirements of Regulation 106 V(4) of the SEBI ICDR Regulations, 2009, as amended. Accordingly, the Market Maker shall ensure that its portion of [●] Equity Shares is subscribed in its own account prior to the closure of the Issue.

In the opinion of our Board of Directors (based on a certificate given by the Underwriter(s), the resources of the above mentioned Underwriter(s) is sufficient to enable them to discharge its underwriting obligations in full. The abovementioned Underwriter(s) are registered with SEBI and eligible to underwrite as per applicable regulations. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments.



Notwithstanding the above, the Underwriter/s shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchases for or purchase of the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

As per Regulation 106(P) of the SEBI ICDR Regulations, 2009, the Lead Manager, will ensure compulsory Market Making in the manner specified by SEBI for a minimum period of 3 (three) years from the date of listing of the Equity Shares of our Company.

Keynote Capitals Limited will act as the Market Maker. The details of which are as follows:

Name and Address of the Market Maker

Our Company has entered into Market Making Agreement dated [●] with the following Market Maker to fulfill the obligations of Market Making for this issue:

Name	Keynote Capitals Limited
Correspondence Address:	The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400028
Tel No.:	+91-22- 30266000-3
Fax No.:	+91-22- 3026 6088
E-mail:	kcl@keynoteindia.net
Website:	www.keynoteindia.net
Contact Person:	Mr. Rakesh Choudhari

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the BSE SME Platform and SEBI from time to time.
3. The minimum depth of the quote shall be ₹1,00,000/- (Rupees One Lakh only). However, the investors with holdings of value less than ₹1,00,000/- (Rupees One Lakh only) shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25%. (Including the 5 % of Equity Shares of the Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue Size would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.



5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
7. There would not be more than 5 (five) Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
8. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker(s) shall have the right to terminate said arrangement by giving a 6 (six) months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

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

11. **Risk containment measures and monitoring for Market Makers:** BSE Emerge Platform will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
12. **Punitive Action in case of default by Market Makers:** BSE Emerge will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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



13. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

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

14. All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.



CAPITAL STRUCTURE

Our Equity Share capital, as at the date of this Draft Prospectus and after the proposed Issue is set forth below: -

(₹ in Lacs, except share data)

Particulars		Aggregate Value at Face value	Aggregate Value at Issue Price
A.	AUTHORISED SHARE CAPITAL		
	1,25,00,000 Equity Shares of ₹ 10/- each	1,250.00	
B.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
	80,50,000 Equity Shares of ₹ 10/- each	805.00	
C.	PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS		
	Issue of upto 28,84,000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share	288.40	[●]
	<i>Which comprises:</i>		
	Upto 1,46,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	14.60	[●]
	Net Issue to Public of upto 27,38,000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share	273.80	[●]
	<i>Of which:</i>		
	Upto [●] Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹2,00,000	[●]	[●]
	Upto [●] Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹2,00,000	[●]	[●]
D.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE		
	1,09,34,000 Equity Shares of ₹ 10/- each	[●]	[●]
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Issue	[NIL]	
	After the Issue	[●]	

⁽¹⁾The Issue has been authorised by the Board of Directors of our Company at its meeting held on July 22, 2017 and by the shareholders of our Company at the Annual General Meeting held on September 16, 2017.



1. ***Details of change in authorised share capital since incorporation***

The authorized share capital of the Company at the time of incorporation was 5,00,000 divided into 50,000 Equity Shares of ₹ 10/- (Rupees Ten only) each. The following table gives the increase in the authorised share capital post incorporation of our Company: -

Sr. No.	Particulars of increase	Date of Shareholder's meeting	AGM/ EGM
1.	Increase in authorized share capital from ₹ 5,00,000/- divided into 50,000 Equity Shares of 10/- each to ₹8,05,00,000/- divided into 80,50,000 Equity Shares of ₹10/- each.	March 17, 2016	EGM
2.	Increase in authorized share capital from ₹8,05,00,000/- divided into 80,50,000 Equity Shares of ₹10/- each to ₹12,50,00,000/- divided into 1,25,00,000 Equity Shares of ₹10/- each.	September 16, 2017	AGM



Notes to capital structure

1. **Share capital history of our Company**

A. The following is the history of the Equity Share capital of our Company:

Date of allotment of Equity Shares	No. of Equity Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Capital (in ₹)	Cumulative Share Premium (in ₹ Lacs)
28/09/2013	50,000	10	10	Cash	Subscribers to MOA	50,000	5,00,000	-
15/07/2016	80,00,000	10	30	Cash	Right Issue	80,50,000	8,05,00,000	1,600

B. *Equity Shares issued for consideration other than cash*

Our Company has made no other issues of Equity Shares for consideration other than cash:

2. **Build-up of Promoters' capital, Promoter's contribution and lock-in**

a) History of Equity Share capital held by the Promoters:

A. Puri Oil Mills Limited

Date of Allotment / Transfer and Date when made Fully Paid	No. Equity Shares Offered / Transferred	Cumulative No. of Equity Shares	Face Value	Issue/ Acquisition Price	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital	Source of Funds
28/09/2013	27,497	27,497	10	10	Cash	Subscriber to MOA	0.34	0.26	Own funds
17/04/2015	22,498	49,995	10	10	Cash	Transfer	0.28	0.21	
17/04/2015	(1)	49,994	10	10	Cash	Transfer	-	-	
15/07/2016	79,99,040	80,49,034	10	30	Cash	Rights Issue	99.37	74.40	
Total	80,49,034						99.99	74.87	



B. Mr. Vivek Puri

Date of Allotment / Transfer and Date when made Fully Paid	No. Equity Shares Issued / Transferred	Cumulative No. of Equity Shares	Face Value	Issue/ Acquisition Price	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital	Source of Funds
28/09/2013	1	1	10	10	Cash	Subscriber to MOA	0.00	-	Own funds
15/07/2016	160	161	10	30	Cash	Rights Issue	0.002	0.0015	
Total	161						0.002	0.0015	

C. Mrs. Indu Puri

Date of Allotment / Transfer and Date when made Fully Paid	No. Equity Shares Offered / Transferred	Cumulative No. of Equity Shares	Face Value	Issue/ Acquisition Price	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital	Source of Funds
28/09/2013	1	1	10	10	Cash	Subscriber to MOA	0.00	-	Own funds
15/07/2016	160	161	10	30	Cash	Rights Issue	0.002	0.0015	
Total	161						0.002	0.0015	

D. Mrs. Shalini Puri

Date of Allotment / Transfer and Date when made Fully Paid	No. Equity Shares Issued / Transferred	Cumulative No. of Equity Shares	Face Value	Issue/ Acquisition Price	Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital	Source of Funds
28/09/2013	1	1	10	10	Cash	Subscriber to MOA	0.00	-	Own funds
15/07/2016	160	161	10	30	Cash	Rights Issue	0.002	0.0015	
Total	161						0.002	0.0015	



b) Details of Promoters' contribution locked in for three years:

Pursuant to the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters, shall be locked-in for a period of three years from the date of Allotment and our Promoters' shareholding in excess of 20% shall be locked-in for a period of one year from the date of Allotment ("**Promoters' Contribution**").

The Equity Shares which are being locked in for 3 (three) years from the date of Allotment are as follows:

Promoters	No. of Equity Shares Locked in	Face Value (in ₹)	Date of Allotment/Acquisition and when made fully paid-up	Nature of Allotment/ Transfer	Consideration (Cash/other than cash)	Percentage of post- Issue paid-up capital
Puri Oil Mills Limited	21,50,000	10	28/09/2013, 17/04/2015, 15/07/2016	Allotment & Transfer	Cash	20%

The Equity Shares that are being locked-in are eligible for computation of Promoter's Contribution under Regulation 33 of the SEBI ICDR Regulations. In this connection, as per Regulation 33 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not consist of:

- (i) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluations reserves or unrealised profits or bonus shares of shares which are otherwise ineligible for computation of Promoter's Contribution;
- (ii) Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (iii) Equity Shares issued to the Promoters upon conversion of a partnership firm;
- (iv) Equity Shares held by the Promoters that are subject to any pledge; and
- (v) Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoter's Contribution subject to lock-in.

The minimum Promoters' Contribution shall be brought in to the extent of, not less than the specified minimum lot and from the persons defined as "*Promoters*" under the SEBI ICDR Regulations.



Details of share capital locked in for one year

Other than the above Equity Shares that would be locked in for 3 (three) years, the entire pre-Issue capital of our Company would be locked-in for a period of 1 (one) year from the date of Allotment in the Issue pursuant to Regulation 36(b) and Regulation 37 of the SEBI ICDR Regulations, except for the Equity Shares offered and successfully allocated as part of the Issue for Sale by Selling Shareholders.

Other requirements in respect of lock-in

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

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

Pursuant to Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by the Promoters may be transferred to and amongst the Promoters, the Promoter Group or to new promoters or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations.

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

3. The Promoter, Promoter Group, Directors of our Company and their relatives have not undertaken any transactions of equity shares of our Company, during a period of 6 (six) months preceding the date on which the Draft Prospectus is filed with Stock Exchange
4. Our Company has not issued any Equity Shares in the year preceding the date of this Draft Prospectus, which may be at a price lower than the Issue price.
5. ***The list of shareholders of our Company and the Equity Shares held by them is as follows:***



(a) Details of the shareholding of our Company:

The table below presents the shareholding pattern of our Company as on the date of this Draft Prospectus:

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrant)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held (b)	No.	As a % of total Shares held(b)	
								Class Equity X	Class Others Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	
(A)	Promoter & Promoter Group	7	80,50,000	-	-	80,50,000	100											
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	80,50,000	-	-	80,50,000	100											



- (b) The names of public shareholders holding more than 1% of pre-Issue capital, number of equity shares held and percentage of the total pre and post Issue capital as on the date of filing of this Draft Prospectus:

Sr. No.	Name	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
1.	Puri Oil Mills Limited	80,49,034	99.988	74.87
	Total	80,49,034	99.988	74.87

- (c) Other than the following, none of our Key Management Personnel hold Equity Shares in our Company as on the date of filing of this Draft Prospectus: -

Sr. No.	Name of the Key Managerial Personnel	No. of Equity Shares (Face Value of ₹ 10 each)	Percentage of pre-Issue share capital (%)
1.	Mr. Vivek Puri	161	0.002
	Total	161	0.002

- (d) Our top ten shareholders and the number of Equity Shares held by them as of the date of filing this Draft Prospectus, is as follows:

S. No.	Name	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
1.	Puri Oil Mills Ltd.	80,49,034	99.988	74.87
2.	Mr. Vivek Puri	161	0.002	Negligible
3.	Mrs. Indu Puri	161	0.002	Negligible
4.	Mrs. Shalini Puri	161	0.002	Negligible
5.	J.K. Puri HUF	161	0.002	Negligible
6.	Puri Captive Energy Pvt. Ltd	161	0.002	Negligible
7.	Indu Bio Products Ltd.	161	0.002	Negligible
	Total	80,50,000	100	



- (e) Our top ten shareholders and the number of Equity Shares held by them 10 (ten) days prior to filing this Draft Prospectus is as follows:

Sr. No.	Name	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
1.	Puri Oil Mills Ltd.	80,49,034	99.988	74.87
2.	Mr. Vivek Puri	161	0.002	Negligible
3.	Mrs. Indu Puri	161	0.002	Negligible
4.	Mrs. Shalini Puri	161	0.002	Negligible
5.	J.K. Puri HUF	161	0.002	Negligible
6.	Puri Captive Energy Pvt. Ltd	161	0.002	Negligible
7.	Indu Bio Products Ltd.	161	0.002	Negligible
	Total	80,50,000	100.000	

- (f) Our top ten shareholders and the number of Equity Shares held by them 2 (two) years prior to date of filing of this Draft Prospectus is as follows:

Sr. No.	Name	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Puri Oil Mills Ltd.	49,994	99.988
2.	Mr. Vivek Puri	1	0.002
3.	Mrs. Indu Puri	1	0.002
4.	Mrs. Shalini Puri	1	0.002
5.	J.K. Puri HUF	1	0.002
6.	Puri Captive Energy Pvt. Ltd	1	0.002
7.	Indu Bio Products Ltd.	1	0.002
	Total	50,000	100.000

6. Our Company, Directors and Lead Manager have not entered into any buy-back or standby/safety net arrangements for the purchase of the Equity Shares of our Company from any person.
7. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Prospectus.
8. None of the equity shares of our Company have been pledged by the Promoters or the Promoter Group.
9. Our Company has not issued any bonus shares out of revaluation of reserves.
10. As on the date of this Draft Prospectus, the Lead Manager does not hold any Equity Shares in our Company.
11. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the immediate relatives of the



Promoters between the date of filing the Prospectus with the Registrar of Companies and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transaction.

12. Our Company has not made any public issue since its incorporation.
13. We do not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise.
14. Our Company has not raised any bridge loan against the proceeds of the Issue.
15. Under subscription, if any, in any category, shall be allowed to be met with spillover from the other categories at the sole discretion of our Company and in consultation with the Lead Manager and the Designated Stock Exchange and in accordance with applicable laws, rules, regulations and guidelines.
16. An over-subscription to the extent of 10% of the Issue to the public can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment being equal to [●] Equity Shares.
17. The Equity Shares are fully paid up and there are no partly paid up Equity Shares as on date. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
18. Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
19. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of the Draft Prospectus with Stock Exchange until the Equity Shares issued through the Prospectus are listed or application moneys refunded on account of failure of Issue.
20. As per the extant policy, OCBs are not permitted to participate in the Issue.
21. There are no outstanding warrants, options or right to convert debentures, loans or other financial instruments into our Equity Shares as on the date of this Draft Prospectus.
22. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be prescribed by SEBI from time to time.

**OBJECTS OF THE ISSUE**

The Objects of the Issue is raise resources to:

- a) Part finance the proposed expansion / acquisition
- b) Part repayment of Term Loan
- c) Finance the enhancement of Operations and Management Capabilities
- d) Fund General Corporate Purposes
- e) Meet Issue expenses

Further, we believe that listing of our Equity Shares at the Stock Exchange will benefit the Company by enhancing its visibility. The main object clause of our Memorandum of Association and objects incidental to the attainment of the main objects enables us to undertake the existing activities and the activities for which funds are being raised by us through this Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial 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 utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue.

Variation in the objects of the Issue (if any) shall be undertaken in accordance with the terms of SEBI ICDR Regulations and Companies Act, 2013 and the rules framed thereunder.

The details of utilization of proceeds are as per the table set forth below:

Particulars of Utilisation	Amount (₹ In lakhs)
Part finance proposed expansion / acquisition	1200.00
Part Repayment of Term loan	600.00
Finance the Enhancement of Operations and Management Capabilities	200.00
Fund General Corporate Purposes	[•]
Meet Issue expenses	[•]
Total	[•]

Particulars of Means of Finance	Amount (₹ In lakhs)
Proceeds from the Issue	[•]
Internal Accruals	[•]
Total	[•]

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue and internal accruals. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

**Details of the objects of the Issue:****1. Proposed expansion / acquisition**

We at POM Hydro have successfully implemented 3 small Hydro Power Projects with the total capacity of 4.8 MW located at HP and Haryana. All the 3 projects are running successfully and we are able to generate electricity at desired levels. The management now proposes to evaluate following opportunities to enhance the operations:

- Implementation of awarded projects
- Acquisition of unfinished projects/ projects nearing completion
- Installation of canal top solar plants

An amount of ₹ 1200 lacs from the proceeds of the issue is estimated to be utilised for the above mentioned activities.

Implementation of awarded projects

Company has three small hydro power projects awarded with a capacity totalling to about 11.75 MW. The details of the projects are as given below:

Location	Capacity (MW)	Type	Status
Khajuri District Yamunanagar, Haryana	2.15	Irrigation canal based project	Detailed Project Report (DPR) has been filed & approval is awaited.
Mainmatti District Karnal, Haryana	2.10	Irrigation canal based project	Detailed Project Report (DPR) has been filed & approval is awaited.
Kilhi Behl District Kangra, Himachal Pradesh	7.50	Run of the river	Detailed Project Report (DPR) has been filed & Tech-Economic Viability is being ascertained.

Apart from the above mentioned projects, company has also been awarded a run of the river type project on Uhl river located at Mandi District, Himachal Pradesh with a capacity of 14 MW. As and when these projects fructify by way of receipt of clearances and PPA's being signed POM Hydro will evaluate implementation of these projects on its own or through joint venture/ strategic/financial partners and debt arrangement from financial institutions.

Acquisition of unfinished projects/ projects nearing completion

Pursuant to successfully operating the existing projects we have started identifying 'Hydro Assets' in the nearby areas and adjoining states which can be acquired and operated by us. Our proposals to enhance our capacity in the states of Himachal Pradesh and Haryana are at various stages of evaluation and liaison with the authorities. While negotiation with few parties is in process, we are actively considering these proposals and our team is appraising the present status and other technical aspects of these projects. With our strong track record and operating performance we are confident we would be able to tie up financing as and when required for such projects.

Installation of canal top solar plants

As per Solar Policy 2016 of Haryana, the Government decided to motivate the Independent Power Producers, who have already set up small hydro projects on the canals to set up solar power projects on the canal tops/ banks allocated to them. Pursuant to this, a prefeasibility study for canal top solar project was conducted by Gujarat Energy research & Management Institute (GERMI) for the Company. Based on the assessment, two sites of 6.2 MW for Khukhani and



4.3 MW at Mussapur were found feasible for canal top projects. Accordingly, a Pre- Feasibility report was filed with nodal agency HAREDA. Following which, the Company has entered into an MOU on March 02, 2016 with Haryana Government to set up 10MW canal top solar plants. At prefeasibility stage the project cost for these projects is assessed to be ₹ 9.5-10.5 crores/Mw, tentatively. These projects have significant benefits arising out of sharing infrastructure cost with existing hydro projects of the Company. In addition to this, the Company is actively pursuing for approval for these projects, as they form core of diversification plans of the Company into other renewable energy sources. Once, the approval is in place, the canal top solar projects will take 3-6 month for execution and will start generating the cash flows. These projects will help the company to reduce execution risks and time lag between investment and cash flow generation, which will in turn, enhance return to its shareholders with lesser risks.

2. Repayment of Loan

We have implemented 3 Hydro Power Projects with a total capacity of 4.8 MW located in states of HP & Haryana. The cost of these projects was part financed by way of equity by our promoters and balance through term loans from State Bank of India. The present outstanding amount of these term loans as on September 30, 2017 is ₹ 731.24 lacs out of which ₹ 391.36 lacs is the amount payable within 12 months categorized as current maturity of long term debts and balance of ₹ 339.88 lacs is categorized as long term borrowings (for details refer Annexure V and Annexure X of the restated financial statements on page 162 & 163 respectively of the draft prospectus). All the 3 Hydro Projects have started generating power and we have been able to generate electricity as expected. At present the said loans carry rate of interest @ 11.75% p.a. We propose to repay ₹600.00 lacs from the issue proceeds. As we propose to expand our business by acquiring and/ or bidding for the new power projects repayment of term loans at this juncture would enhance leveraging capacity of the Company to a higher level.

3. Enhancement of Operations and Management Capabilities

With efficiently running three hydro projects over the years, POM Hydro Energy has gained significant knowledge and skill set in implementing such projects. Our efficient operation practices has created a significant advantage in terms of better returns, reduced payback period, lower running cost and sustainability. This opens up an opportunity to explore Operations & Management (O&M) consultancy services to be provided to the projects that are facing difficulties on account of lack of management capabilities. To prepare itself for future challenges and to create a niche for itself in O&M space, Company wishes to scale up its technical expertise by investing in human resources, software & other critical equipments. Company has planned to allocate ₹200.00 lacs from the issue proceed to create the mentioned skill set.

Creating such a skill set will create a three way advantage for the Company and will help in rapidly expanding business in future. This team of technical experts with its wider market reach will help company in its inorganic growth plans. Further the Company will also benefit from the execution of existing projects and we believe a significant cost & time can be saved with simultaneous increase in generation capacity. Further, the Company as a part of its future strategy wants to position itself as a player in Consultancy and O&M business catering to Power Industry. This will help the Company diversify from capital intensive business model of generation to knowledge based service provider and will in turn result in greater synergy and efficiency.

4. General Corporate Purposes

Our Company proposes to deploy an amount aggregating ₹ [●] lacs towards general corporate purposes, subject to such utilization not exceeding 25% of the Issue Size, in compliance with the SEBI Regulations, including but not limited to strategic initiatives, partnerships and joint ventures, meeting exigencies which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time, and consequently, our funding requirement and deployment of funds may also change. In accordance with the policies of our Board, our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes.



5. Issue expenses

The Issue related expenses consists of fees payable to the Lead Manager(s), Legal Counsel, Auditors, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising and marketing expenses, underwriting fees, selling commission and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange. Our Company intends to use approximately ₹ [●] lacs towards these expenses, break-up of the same is as follows:

(₹ in Lacs)			
Activity	Estimated Expense	% of Total Expenses	As a percentage of Issue size
Fees to intermediaries (including Lead Managers fees, underwriting commission, market making fees, brokerage and selling commission*, registrar fees and expenses)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Printing and Stationary & Distribution	[●]	[●]	[●]
Statutory and other miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

*Includes Commission/ processing fees to the Designated Intermediaries. Designated Intermediaries would be entitled for a processing fee of ₹10 for processing of valid Application forms procured by such Intermediaries. Additionally, the SCSBs will be entitled for a fee of ₹ 10 per application for blocking of funds.

Schedule of Implementation

Our Company proposes to deploy the issue proceeds immediately on completion of the IPO and the same is expected to be completed by FY 2018-19

Year wise break-up of proceeds to be used

We intend to utilize the entire proceeds of the issue within FY 2018-19 hence no year wise break up of expenses have been given.

Sources & deployment of Funds

As on December 31, 2017, our Company has deployed an amount of ₹ 32.42 Lacs towards issue expenses as certified by our Statutory Auditors, vide their letter dated January 10, 2018. The same has been funded out of the internal accruals of the company. The details of which are as under:

Deployment of Funds:

Particulars	Amount (₹ in lacs)
Fees to intermediaries	25.21
Statutory and other miscellaneous expenses	7.21
Total	32.42



Sources of Funds:

Particulars	Amount (₹ in lacs)
Internal Accruals	32.42
Total	32.42

Appraisal

None of the Objects of the Issue have been appraised by any bank or financial institution.

Bridge Financing Facilities

We have not availed any bridge financing facilities for the meeting the expenses as stated under the Objects of the Issue.

Interim Use of Funds

The Company, in accordance with the policies established by its Board of Directors from time to time, will have flexibility to deploy the proceeds of the Issue. Pending utilization of the proceeds of the Issue for the purposes described above, our Company intends to temporarily deposits with banks for the necessary duration.

Monitoring of Utilization of Funds

Since the Issue size does not exceed ₹10,000 Lacs, the appointment of a monitoring agency as per Regulation 16 of the SEBI ICDR Regulations is not required. As required under the SEBI Listing Regulations, the Audit Committee appointed by our Board will monitor the utilisation of the Issue proceeds. We will disclose the utilisation of the proceeds of the Issue, including interim use, under a separate head in our quarterly/half yearly financial disclosures and annual audited financial statements until the Issue Proceeds remain unutilised, to the extent required under the applicable law and regulation. We will indicate investments, if any, of unutilised proceeds of the Issue in our Balance Sheet for the relevant Financial Years subsequent to listing of our Equity Shares on the SME Platform of BSE.

Pursuant to SEBI Listing Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Draft Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the proceeds of the Issue have been utilised in full. The statement shall be certified by the statutory auditors of our Company.

Our Company shall be required to inform material deviations in the utilisation of the proceeds of the Issue to the Stock Exchange(s) and shall also be required to simultaneously make the material deviations/adverse comments of the Audit committee/monitoring agency public through advertisement in newspapers.

No part of the Proceeds from the Issue will be paid by us as consideration to our Promoters, Promoter Group, our Directors, Group Companies or Key Managerial Personnel, except in the normal course of our business.

Basic terms of the issue

The Equity shares being issued are subject to the provision of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of this Issue document and other terms and conditions as may be incorporated in the Allotment advice and other documents /certificates that may be executed in respect of the issue. The Equity shares shall also be subjected to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, Government of India, RBI, ROC and /or other authorities as in force on the date of issue and to the extent applicable.

**BASIS FOR 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 96, 17 and 150 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. Experienced Managerial and Technical Team;
2. Long-term PPA Contracts providing stability to the operations;
3. No vagaries with respect to raw material cost; and
4. Established business model on account of successful implementation of existing Hydro projects

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 96, 150 and 17 respectively.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Financial Statements prepared in accordance with Indian GAAP, Companies Act and SEBI ICDR Regulations. For details, see “Financial Statements” on page 150.

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

We are a wholly owned subsidiary of Puri Oil Mills Ltd. which is the flagship Company of ‘Puri Group of Companies’ based in North India. Our Company was incorporated on September 5, 2013. We operate 3 private sector Small Hydro Electric Power Plants with a total capacity of 4.8 MW. Initially all hydro power projects were assigned to Puri Oil Mills Ltd. After a detailed restructuring of the organization, hydro power projects were transferred to our Company through business transfer/ slump sale with effect from April 01, 2016.

1. Basic and Diluted Earnings per Share (“EPS”)

For the Year ended	Standalone (₹)	Weight
March 31, 2017	5.96	3
March 31, 2016*	-	2
March 31, 2015*	-	1
Weighted Average	2.98	
For the period ended September 30, 2017**	7.82	

*During FY 2014-15 & FY 2015-16 our Hydro business was part of Puri Oil Mills Ltd. our promoter. Our company reported Revenue from Hydro business during this period at ₹ 971.53 lakhs & ₹ 721.55 lakhs and Net Profit of ₹ 355.68 lakhs & ₹ 187.56 lakhs respectively. For details please refer page 150.

**Annualised

[{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:

- The figures disclosed above are based on the restated financial information statement as disclosed in this draft offer document.



- ii. Earnings per share is calculated in accordance with Accounting Standard 20 'Earnings Per Share', notified under section 133 of the Companies Act 2013, read together 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:

The P/E ratio based on the basic and diluted EPS for the Fiscal Year 2017 at the Issue Price is [●].

Particulars	P/E at the issue price (Standalone)
P/E ratio based on basic and diluted EPS for the financial year ended March 31, 2017	[●]
P/E ratio based on weighted average basic and diluted EPS for the fiscal ended March 31, 2017	[●]

Industry peer group P/E ratio:

We are in the operations of micro hydel power projects. Though there are other listed company in the hydel power space, there are no listed companies at the micro level which are exactly comparable having a similar business model as that of us. Given below is the P/E ratio of the companies having the highest and the lowest P/E in the industry as a whole.

Sr. No.	Particulars	Standalone
1	Highest (Tata Power Ltd.)	134.21
2	Lowest (SJVN Ltd.)	8.67
	Industry Composite (Power Generation & Supply)*	13.5

*Source: Capital Market- Vol. January 01, 2018- January 14, 2018.

3. Return on Net Worth (RONW)

For the year ended	RONW (%)	Weight
March 31, 2017	17.21	3
March 31, 2016*	-	2
March 31, 2015*	-	1
Weighted Average	8.61	
For the period ended September 30, 2017**	20.30	

*During FY 2014-15 & FY 2015-16 our Hydro business was part of Puri Oil Mills Ltd our promoter. Our company reported Revenue from Hydro business during this period at ₹ 971.53 lakhs & ₹ 721.55 lakhs and Net Profit of ₹ 355.68 lakhs & ₹ 187.56 lakhs respectively. For details please refer page 150.

**Annualised

[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

4. Minimum Return on Increased Net Worth required to maintain pre-Issue EPS for the year ended March 31, 2017 at the issue price of ₹ [●] is [●]

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

As of the year ended	Standalone (₹)
For the period ended September 30, 2017	38.48
March 31, 2017	34.62
March 31, 2016	8.16
March 31, 2015	9.38
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.

6. Comparison with companies operating in similar line of business:

Though there are listed entities which are engaged in generation of hydro power on a large scale, we believe that there are no listed entities in India which are engaged in the similar scale of generation as that our company, hence we may not be directly comparable. Nevertheless, the data relating to the other listed companies from publicly available information in this business is given hereunder:

Name of the Company	Face Value (₹)	Revenue from operations (₹In Cr.)	PAT (₹In Cr.)	Market Price (₹)	Basic EPS (₹)	P/E Ratio	RONW (%)	NAV (₹)
POM Hydro Energy Ltd.	10	9.94	4.95	-	5.96	-	17.77	34.62
Similar Companies								
NTPC Ltd.	10	78,273.44	9,385.26	172	11.38	15.11	9.75	116.71
NHPC Ltd.	10	7,271.17	2,795.59	31.70	1.88	16.86	10.38	26.26
Tata Power Ltd.	1	7,218.06	283.45	99.10	0.63	157.3	1.71	61.18
JSW Energy Ltd.	10	4,040.97	194.75	94.70	1.20	78.91	2.32	51.18
SJVN Ltd.	10	2,468.66	1,544.14	37.70	3.73	10.10	13.45	27.76

(Source: Annual Report for the year ended March 31, 2017)

Notes:

- The figures of Pom Hydro Energy Limited are based on the audited financials for the year ended March 31, 2017.
- The figures of the Peer group are based on the Standalone financials from their respective Annual Reports for the year ended March 31, 2017
- P/E Ratio has been computed as the closing market prices of the companies sourced from the BSE website as on 12/01/2018, 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 17, 150 and 179 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

The Board of Directors
POM Hydro Energy Ltd. Limited
131/6, Samkhetar Bazar,
Mandi-175001

Sub:-Statement of Possible Tax Benefits available to POM Hydro Energy Limited and its shareholders under the Indian tax laws.

Dear Sirs,

1. We hereby confirm that the enclosed Annexure, prepared by POM Hydro Energy Ltd. ('the Company'), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 ('the Act') as amended by the Finance Act 2017, i.e. applicable for the Financial Year 2017-18 relevant to the assessment year 2018-19, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfill.
2. The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and 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.
3. We do not express any opinion or provide any assurance as to whether:
 - i) the Company or its shareholders will continue to obtain these benefits in future;
 - ii) the conditions prescribed for availing the benefits have been / would be met with; and
 - iii) the revenue authorities/courts will concur with the views expressed herein.
4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

For Amit Ray & Co.,

Chartered Accountants,

Sd/-

Abhishek Sharma

Partner

Membership No.: 403861

Firm Registration No. with ICAI: 000483C

Dated: January 10, 2018



SPECIAL TAX BENEFITS

I. Benefits available to the Company

The company is eligible for 100% tax holiday under section 80IA of the Income Tax Act 1961 for all the three commissioned project as per details below:-

Project	No. of years for which benefit u/s 80IA claimed	No. of years for which benefit u/s 80IA available
Mussapur SHEP	3 Years	7 Years
Khukhani SHEP	3 Years	7 Years
Chakshi SHEP	1 Year	9 Years

II. Benefits available to the Shareholders

There are no special tax benefits available to the shareholders for investing in the shares of the Company.

For Amit Ray & Co.,

Chartered Accountants,

Sd/-

Abhishek Sharma

Partner

Membership No.: 403861

Firm Registration No. with ICAI: 000483C



SECTION IV - ABOUT US

INDUSTRY OVERVIEW

Evolution of the Industry

Hydropower represents use of water resources towards inflation free energy due to absence of fuel cost with mature technology characterized by highest prime moving efficiency and spectacular operational flexibility. Out of the total power generation installed capacity in India of 3,29,226 MW (August, 2017), hydro power contributes about 13.6% i.e. 44,653 MW and RES (Renewable Energy Sources: Small Hydro Project, Biomass Gasifier, Biomass Power, Urban & Industrial Waste Power, Solar and Wind Energy) contributes about 17.7% i.e. 58,303 MW.

India has a history of about 110 years of hydropower. The first small hydro project of 130 KW commissioned in the hills of Darjeeling in 1897 mark the development of hydropower in India. The Sivasamudram project of 4500 KW was the next to come up in Mysore District of Karnataka in 1902, for supply of power to the Kolar gold mines. Following this, there were number of small hydro projects set up in various hilly areas of the country. Till independence (1947), the country had an installed capacity of 1362 MW, which included 508 MW hydropower projects, mainly small and medium size projects. A planned development of hydropower projects in India started only in the post independence era. The focus was laid on large-scale power generation through big hydro, thermal and nuclear route. First 50 years after independence saw a capacity addition of 85,019 MW including 21,644 MW of hydropower stations, most of them were being large hydro. Since the development was mainly in the Central sector and the State Electricity Boards (SEBs) were more or less tuned to the central planning system, relatively less importance was given to small projects. In late 80's, it was realized that the development of Small Hydro Power (SHP) potential has remain largely untapped as the focus was on large-scale power generation. In order to provide focused attention to small size projects, the subject of small hydro was brought under the purview of renewable energy.

The decade of 90s saw a firm footing for the development of small hydro in India. A comprehensive programme for exploitation of its potential was built. Demonstration projects were supported throughout the country with new technical and engineering concepts to harness small, medium and high heads for SHP projects in hills as well as canals. R&D projects and a dedicated center namely Alternate Hydro Energy Centre (AHEC) at University of Roorkee (now IIT, Roorkee), to provide technical support to the small hydro sector. Database of potential SHP sites on small rivers and canals was concurrently developed. A pre investment study was carried out under the auspices of the Energy Sector Management Assistance Program (ESMAP) jointly supported by United Nations Development Program (UDNP) and World Bank with an objective to prepare an investment program to develop irrigation/ canal based hydro schemes. Alongside, manufacturing base for SHP equipment was strengthened.

Against the background of depleting forest resources of Himalayas, the UNDP-GEF (United Nations Development Program-Global Environmental Finance) Indian Hilly Hydro Project was initiated in the year 1994 as the first Indian project from GEF portfolio in order to develop a national strategy and master plan for optimum utilization of small hydro resources of Himalayan and sub Himalayan region with an outlay of US \$ 15 million equally shared between Government of India and GEF. The project also envisaged implementation of 20 demonstration SHP projects, design and development of watermills for electricity generation and to develop management & ownership models through community participation. A zonal plan for all the 13 states was evolved by identifying potential sites in the states followed by a master plan for SHP development in the Himalayan region. First three private sector SHP projects, including one by an NGO, in hilly areas were set up as part of this project with IREDA (Indian Renewable Energy Development Agency) financing. The project succeeded in developing concept of community participation for SHP and watermills apart from sensitizing the states, manufacturers, consultants, NGOs etc. All these efforts lead to a firm programme of Small hydro in India.

(Source: MNRE {Ministry of New and Renewable Energy} Akshay Urja Publication, Retrieved from <http://www.mnre.gov.in/file-manager/akshay-urja/march-june-2013/EN/24-27.pdf>)



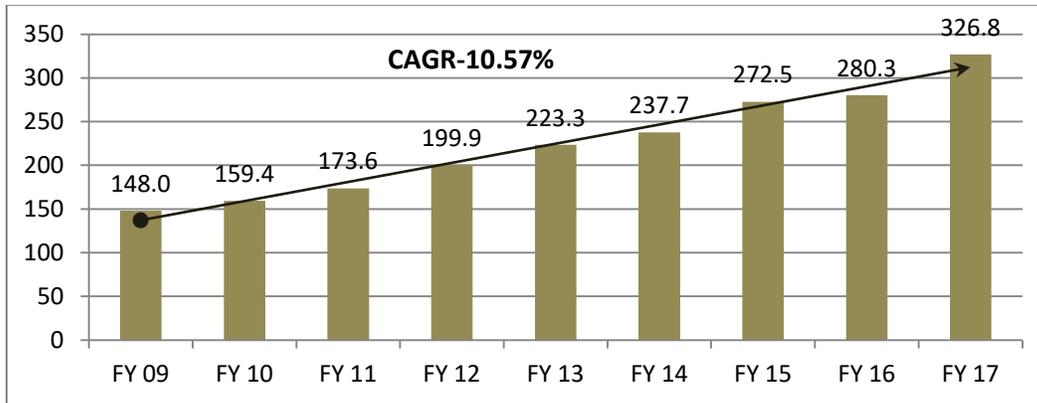
The Indian Power Sector

Overview of Indian Power Sector

In India, like in any other country, power consumption is expected to rise with economic growth and social development. The power sector consists of generation, transmission and distribution utilities and is a crucial component of India's infrastructure. India's rapid growth over the past decade has increased power demand, which is still largely unmet.

Installed capacity increased steadily over the years, posting a CAGR of 10.57% in FY09–17.

Installed electricity generation capacity (GW)



(Source: CEA {Central Electricity Authority}, TechSci Research, Notes: GW – Gigawatt, CAGR - Compound Annual Growth Rate)

The sector and Fuel type specific Installed Capacity as on August 31, 2017:

Sector	Mega Watt (MW)	% of Total
State	81,652	24.8
Central	102,933	31.3
Private	144,641	43.9
Total	3,29,226	100



Fuel Type	Mega Watt (MW)	% of Total
Thermal	2,19,490	66.7
d. Coal	1,93,467	58.8
e. Gas	25,185	7.6
f. Oil	838	0.3
Hydro	44,653	13.6
Nuclear	6,780	2.1
RES*	58,303	17.7
Total	3,29,226	100

*RES (Renewable Energy Sources) include Small Hydro Project, Biomass Gasifier, Biomass Power, Urban & Industrial Waste Power, Solar and Wind Energy.

* Installed capacity in respect of RES (MNRE) as on 30/06/2017.

(Source: Central Electricity Authority-CEA)

4. Generation

The natural resources for electricity generation in India are unevenly dispersed and concentrated in a few pockets. Hydro resources are located in the Himalayan foothills, North Eastern Region (NER). Coal reserves are concentrated in Jharkhand, Odisha, West Bengal, Chhattisgarh, parts of Madhya Pradesh, whereas lignite is located in Tamil Nadu and Gujarat. Also lot of power station, generating from Gas and renewable energy sources like Solar, Wind etc. have been installed in various parts of country.

(Source: Ministry of Power, <http://powermin.nic.in/en/content/overview-0>)

The performance of Category wise generation during the year 2016-17 was as follows:-

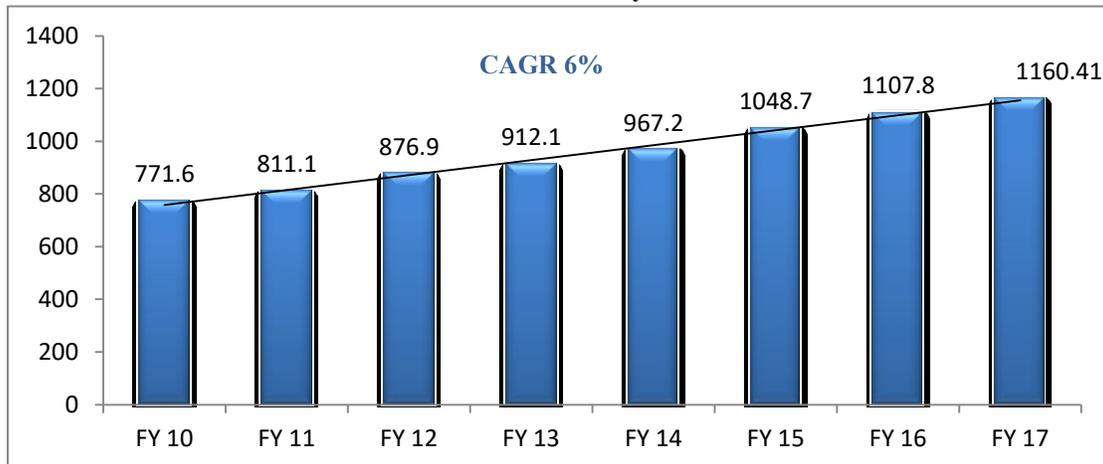
Category	% Increase
Thermal	5.34
Hydro	0.82
Nuclear	1.34
Renewables	24.46
Overall Growth	5.83

(Source: Ministry of Power, <http://powermin.nic.in/en/content/overview>)



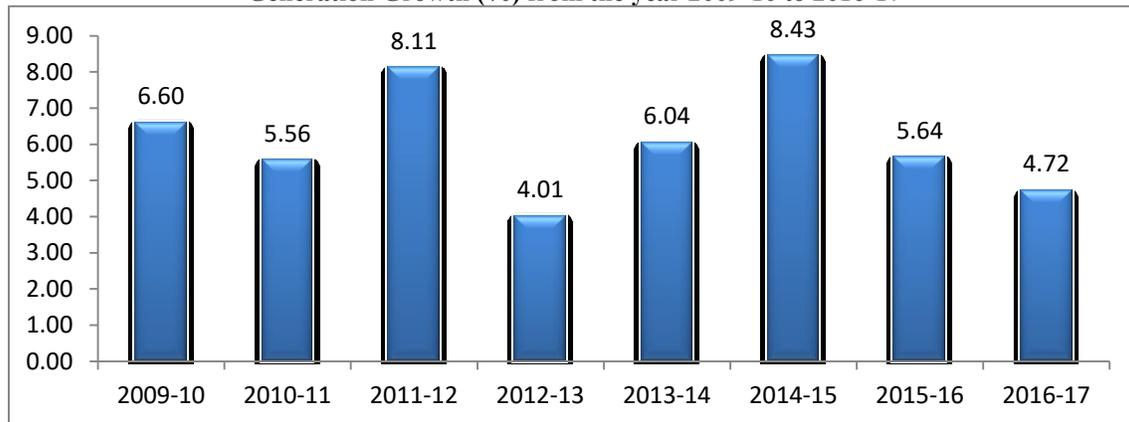
Over FY10–FY17, electricity production in India grew at a CAGR of 6 per cent. The electricity generation target of conventional sources for the year 2017-18 has been fixed as 1229.400 Billion Unit (BU) i.e. growth of around 5.97% over actual conventional generation of 1160.141 BU for the previous year (2016-17). The conventional generation during 2016-17 was 1160.141 BU as compared to 1107.822 BU generated during 2015-16, representing a growth of about 4.72 %.

Generation in Billion Units from the year 2009-10 to 2016-17



(Source: Ministry of Power, CEA, Notes: FY - Indian Financial Year (April-March), BU – Billion Unit)

Generation Growth (%) from the year 2009-10 to 2016-17



(Source: Ministry of Power, <http://powermin.nic.in/en/content/power-sector-glance-all-india>)

5. Transmission

Power grid Corporation of India Limited (POWERGRID), a Central Transmission Utilities (CTU), is responsible for planning inter-state transmission system (ISTS). Similarly there are State Transmission Utilities (STU) (namely State Transco/ SEBs) responsible for the development of Intra State Transmission System.

An extensive network of Transmission lines has been developed over the years for evacuating power produced by different electricity generating stations and distributing the same to the consumers. Depending upon the quantum of power and the distance involved, lines of appropriate voltages are laid. The nominal Extra High Voltage lines in vogue are ± 800 kV HVDC (High Voltage Direct Current) & 765kV (Kilo Volts), 400 kV, 230/220 kV, 110 kV and 66kV AC (Alternating Current) lines. These have been installed by all the SEBs (State Electricity Boards), and by Generation, Transmission & Distribution utilities including those in Central Sector.



The capacity of transmission system of 220 kV and above voltage levels, in the country as on 31st August 2017 was 3,78,087 ckm (circuit kilometer) of transmission lines and 7,76,855 MVA(Mega Volt Amp) of transformation capacity of Substations.

As on 31st August 2017, the total transmission capacity of the inter-regional links is 76,550 MW (Mega Watt).

The transmission lines are operated in accordance with Regulations/ standards of Central Electricity Authority (CEA) / Central Electricity Regulatory Commission (CERC) / State Electricity Regulatory Commissions (SERC). However, in certain cases, the loading on transmission lines may have to be restricted keeping in view the voltage stability, angular stability, and loop flows, load flow pattern and grid security. Power surplus States have been inter-alia, able to supply their surplus power to power deficit State Utilities across the country except for some congestion in supply of power to Southern Region.

Power System Operation Corporation Limited (POSOCO), is managing the National and Regional grid from National Load Despatch Centre (NLDC) and its five Regional Load Despatch Centers (RLDC) through state-of-the-art unified load dispatch & communication facilities.

(Source: Ministry of Power, <http://powermin.nic.in/en/content/overview-0>)

6. Distribution

Distribution is the most important link in the entire power sector value chain. As the only interface between utilities and consumers, it is the cash register for the entire sector. Under the Indian Constitution, power is a Concurrent subject and the responsibility for distribution and supply of power to rural and urban consumers rests with the states.

Government of India provides assistance to states through various Central Sector / centrally sponsored schemes for improving the distribution sector such as Integrated Power Development Scheme (IPDS), **Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY)**, **National Electricity Fund (NEF)**, **Financial Restructuring Scheme**.

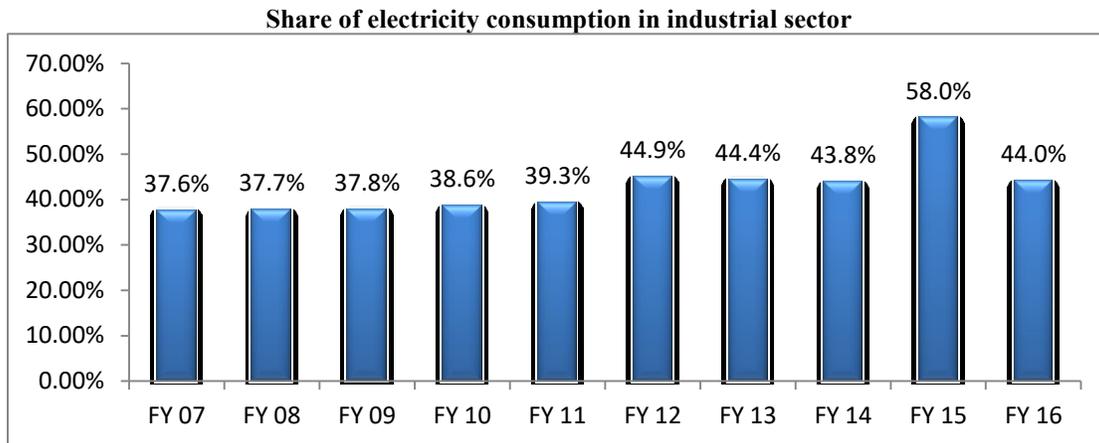
The major objectives of these schemes are:

- Strengthening of sub-transmission and distribution networks in the urban as well as rural areas
- Metering of distribution transformers / feeders / consumers in the urban and rural area.
- To promote investment in the distribution sector

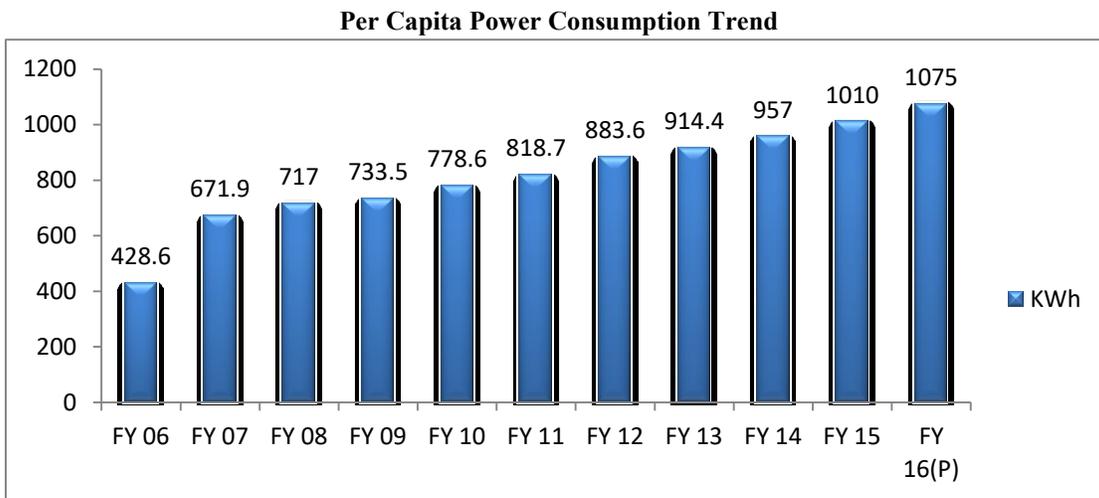
(Source: Ministry of Power, <http://powermin.nic.in/en/content/overview-4>)

Demand for Electricity in India

Higher levels of economic growth and anticipated improvement of quality of life over next few years will lead to growth in power demand. Further India is set to become a global manufacturing hub with investments across the value chain. Hence with industrial expansion coupled with growing per-capita income Indian Power Sector is set to continue showing growth in the coming years.



(Source: TechSci Research, Ministry of Statistics and Program Implementation)



(Source: CEA, TechSci Research, Notes: RGGVY - Rajiv Gandhi Grameen Vidyutikaran Yojana, P: Provisional)

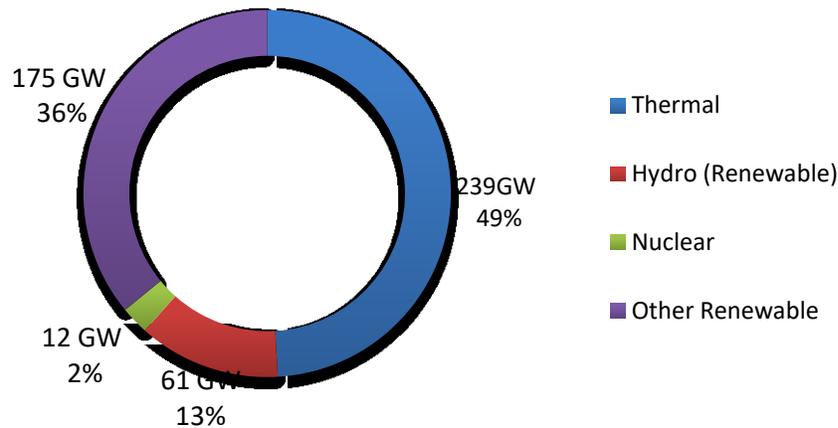
Per capita electricity consumption in the country grew at a CAGR of 9.63 per cent, during FY06-FY16, reaching 1075 KWh (Kilo Watt hour) in FY16

Four major factors driving the demand for power are:

- Indian manufacturing sector growing faster than in past
- Residential consumption growing at 14 per cent over the next 10 years.
- The connection of 125000 villages to grid through several programmes
- The realisation of demand suppressed due to load shedding

Tentative capacity in 2022 = 487 GW (Giga Watt)(1GW=1000MW)

In order to cater to this expected increase in power demand while fulfilling its climate change commitments the Government of India has set a renewable energy target of 175 GW by 2022, comprising mainly solar and wind capacity additions.



(Source : Load Generation Balance Report, 2017–18. Retrieved from <http://www.cea.nic.in/reports/annual/lgbr/lgbr-2017.pdf> {last accessed on 19 June 2017};)

Demand Supply Imbalance in India

Electricity sector in India is growing at rapid pace. During the current year 2017-18 (upto 31/08/2017), the Peak Demand is about 163.2 GW and the Installed Capacity is 329.2 GW with generation mix of Thermal (66.7%), Hydro (13.6%), Renewable (17.7%) and Nuclear (2.1%).

The power supply position in the country during 2009-10 to 2017-18:

Year	Energy				Peak			
	Requirement	Availability	Surplus(+)/Deficits(-)		Peak Demand*	Peak Met	Surplus(+)/Deficits(-)	
	(MU)	(MU)	(MU)	(%)	(MW)	(MW)	(MW)	(%)
2009-10	8,30,594	7,46,644	-83,950	-10.1	1,19,166	1,04,009	-15,157	-12.7
2010-11	8,61,591	7,88,355	-73,236	-8.5	1,22,287	1,10,256	-12,031	-9.8
2011-12	9,37,199	8,57,886	-79,313	-8.5	1,30,006	1,16,191	-13,815	-10.6
2012-13	9,95,557	9,08,652	-86,905	-8.7	1,35,453	1,23,294	-12,159	-9.0
2013-14	10,02,257	9,59,829	-42,428	-4.2	1,35,918	1,29,815	-6,103	-4.5
2014-15	10,68,923	10,30,785	-38,138	-3.6	1,48,166	1,41,160	-7,006	-4.7
2015-16	11,14,408	10,90,850	-23,558	-2.1	1,53,366	1,48,463	-4,903	-3.2
2016-17	11,42,929	11,35,334	-7,595	-0.7	1,59,542	1,56,934	-2,608	-1.6
2017-18	5,17,085	5,13,779	-3,306	-0.6	1,63,314	1,60,752	-2,562	-1.6

*Peak demand is a term used in energy demand management describing a period in which electrical power is expected to be provided for a sustained period at a significantly higher than average supply level. Peak demand fluctuations may occur on daily, monthly, seasonal and yearly cycles.

(Source: Ministry of Power, <http://powermin.nic.in/en/content/power-sector-glance-all-india>)

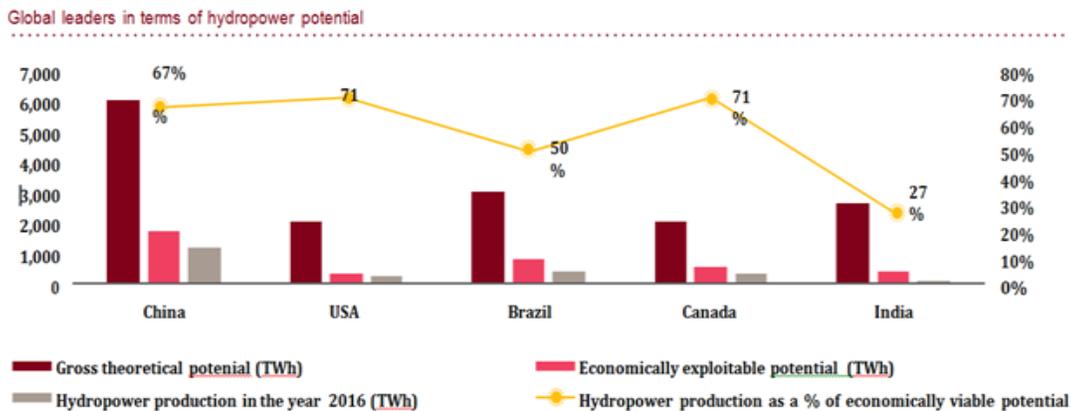


Hydro Potential In India

Hydropower is a renewable, economical, non-polluting and environmentally benign source of energy. Hydropower stations have the inherent ability for instantaneous starting, stopping, load variations, etc. and help in improving the reliability of power systems. There is no fuel cost during the life of the project as hydropower generation is a non-consumptive use of water. The benefits of hydropower as a clean, environment friendly and economically attractive source of energy have been sufficiently recognized. In comparison to other renewables on a life cycle basis, Green House Gas (GHG) emissions release from hydropower is lesser relative to that of electricity generation from biomass and solar. The emissions are almost equivalent to those from wind, nuclear and geothermal power plants. Since hydropower generation does not require burning or combustion of any fuels, the cost of operation are not susceptible to market price fluctuations. The need for its accelerated development also arises from its capacity of enhanced system reliability and economics of utilization of resources.

During the last century, hydropower has made an important and significant contribution to meeting the energy needs of countries. In developed countries, most hydropower potential has been harnessed. However, the situation is not similar in developing countries such as India. It is seen that nearly 3/4 of exploitable hydro energy potential in India is yet to be harnessed for the betterment of growth and welfare of population of the region and boost industrial growth.

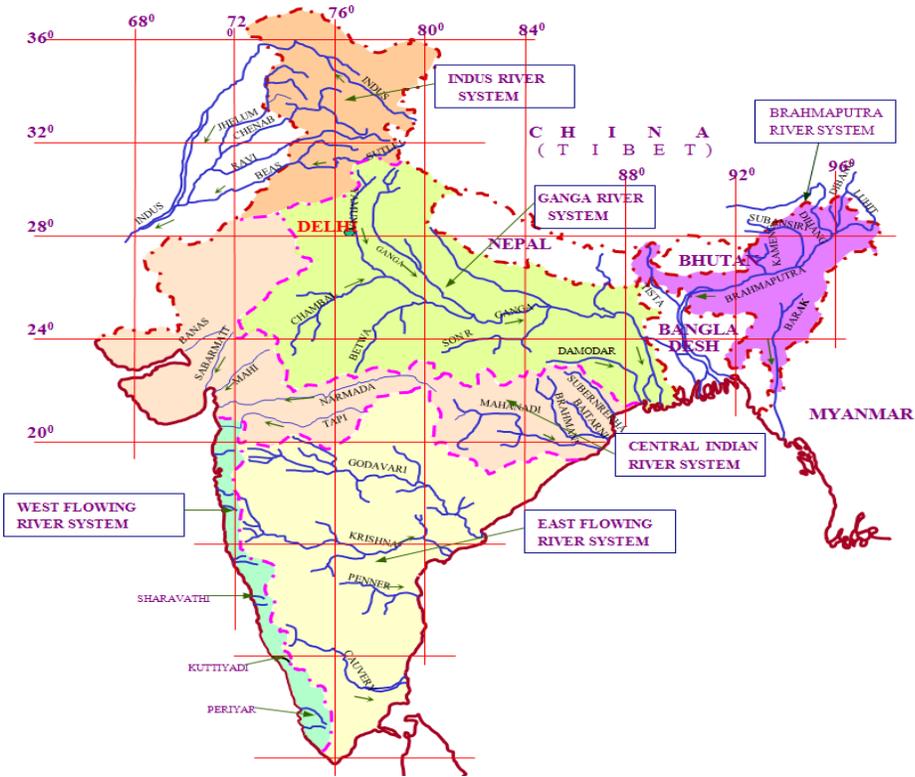
India is endowed with large hydropower reserves that are estimated to be capable of meeting a demand of around 85 GW at a 60% load factor, making it the fifth in the world in terms of usable hydropower potential. However, in spite of the abundance of these reserves, the total installed capacity of large hydropower projects with a capacity greater than 25 MW till date is only 45 GW, representing only 30% of the total potential. A comparison with the global levels shows that the extent and overall pace of hydropower development in India are well behind those of other hydro-rich nations.



(Source: International Renewable Energy Agency (IRENA) and International Hydropower Association (IHA) statistics, 2016)

As per the CEA, India has nearly 1,50,000 MW of economically exploitable large hydro potential. This is available mainly in the Brahmaputra, Indus and Ganga river basins, at a Load Factor (LF) of 60% or lower.

Figure below represent the major river basins and their share in the installable potential.



Basin-wise Large Hydro potential in India
(Source: CEA)

Basin-wise Large Hydro potential in India (CEA):

River Basin	Probable Installed Capacity in mW
Indus	33, 832
Ganga	20, 711
Central Indian rivers	4, 152
West flowing (southern)	9, 430
East flowing (southern)	14, 511
Brahmaputra	66,605
Total	~1, 49, 000



Small Hydro Power Potential

Hydro power projects are generally categorized in two segments i.e. small and large hydro. In India, hydro projects up to 25 MW station capacities have been categorized as Small Hydro Power (SHP) projects. Small hydro power projects are further classified as:

Class	Station Capacity in KW
Micro Hydro	Up to 100
Mini Hydro	101 to 2000
Small Hydro	2001 to 25000

Small hydro’s distinguishing attribute being that these are mostly run-of-the-river type and do not require the construction of dams. Thus, apart from the fact that electricity is generated from a renewable source, small hydro projects have far lesser environmental impacts as well.. Further unlike large hydro project, small hydro enjoys benefits of being categorised as renewable energy. While Ministry of Power, Government of India is responsible for large hydro projects, the mandate for the subject small hydro power (up to 25 MW) is given to Ministry of New and Renewable Energy.

The total hydroelectric power potential in the country is assessed at about 1,50,000 MW equivalent to 84,000 MW at 60 percent load factor. The identified potential of SHP projects is 19,749 MW at 6474 numbers of potential sites, out of which 4324 MW has been harnessed at 1077 sites (as on 31/01/2017 Source MNRE). Out of this potential, most of the SHP potential lies in the States of Himachal Pradesh, Uttarakhand, Jammu & Kashmir and Arunachal Pradesh as river based projects i.e. run off river scheme. In the plain region Maharashtra, Chhattisgarh, Karnataka and Kerala have sizeable potential. SHP projects are environmentally benign, economically viable and consequently private sector invested in such project. Viability of the projects improves with increase in the station capacity. In cumulative terms, 1075 small hydropower projects aggregating to 4324.86 MW have been set up in various parts of the country. In addition, 232 projects of about 793.73 MW are in various stages of implementation. Following are the state-wise details of completed and under execution projects.

State-wise details of Small Hydro Projects completed and under execution.							
STATE WISE NUMBERS AND AGGREGATE CAPACITY OF SHP PROJECTS (UPTO 25 MW)							
POTENTIAL, INSTALLED & UNDER IMPLEMENTATION (as on 31.12.2016)							
Sl. No.	State	Potential		Projects Installed		Projects under Implementation	
			Total Capacity (MW)	Nos.	Capacity (MW)	Nos.	Capacity (MW)
1	Andhra Pradesh &Telengana	387	978.4	72	241.98	5	17.7
2	Arunachal Pradesh	677	1341.38	152	104.605	17	54.05
3	Assam	119	238.69	6	34.11	5	33
4	Bihar	93	223.05	29	70.7	10	8.3
5	Chhattisgarh	200	1107.15	10	76	1	24
6	Goa	6	6.5	1	0.05	0	0
7	Gujarat	292	201.97	6	16.6	13	92.31
8	Haryana	33	110.05	9	73.5	1	0.1
9	Himachal Pradesh	531	2397.91	180	798.81	27	211



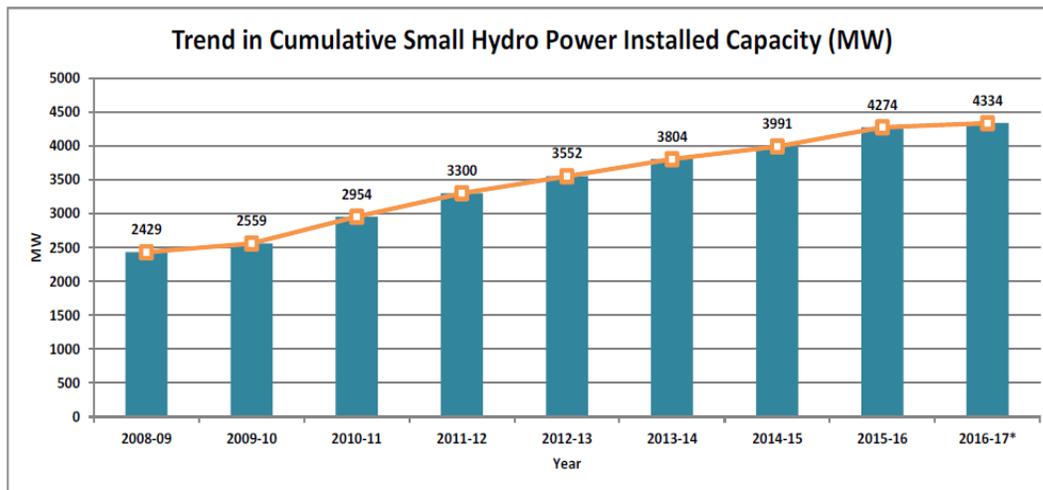
10	J&K	245	1430.67	40	158.03	25	45.15
11	Jharkhand	103	208.95	6	4.05	0	0
12	Karnataka	834	4141.12	166	1220.73	3	13.4
13	Kerala	245	704.1	31	205.02	9	74.015
14	Madhya Pradesh	299	820.44	11	86.16	0	0
15	Maharashtra	274	794.33	64	346.175	16	54.15
16	Manipur	114	109.13	8	5.45	0	0
17	Meghalaya	97	230.05	4	31.03	2	25.5
18	Mizoram	72	168.9	19	41.47	4	8.7
19	Nagaland	99	196.98	12	30.67	8	3.75
20	Orissa	222	295.47	10	64.625	3	18.5
21	Punjab	259	441.38	54	170.9	12	30
22	Rajasthan	66	57.17	10	23.85	0	0
23	Sikkim	88	266.64	17	52.11	2	15
24	Tamil Nadu	197	659.51	21	123.05	0	0
25	Tripura	13	46.86	3	16.01	0	0
26	Uttar Pradesh	251	460.75	9	25.1	1	1.5
27	Uttarakhand	448	1707.87	101	209.32	5	19.6
28	West Bengal	203	396.11	24	98.5	0	0
29	A&N Islands	7	7.91	1	5.25	0	0
Total			19749.44	1076	4333.855	169	749.725

(Source: MNRE -Ministry of New and Renewable Energy- Annual Report 2016-17)

The total installed capacity of small hydro projects, at the end of 11th Plan, was 3395 MW. This was achieved by adding an aggregate capacity of 1419 MW during 2007-2012. On an average 12th Plan target for small / mini hydro is 250 MW per year. Year wise target and achievements for the 2012-13, 2013-14, 2014-15, 2015-16 & 2016-17 is given in Table below:

Period	Target(MW)	Achievement(MW)
2012-13	300.00	236.94
2013-14	250.00	171.40
2014-15	250.00	251.60
2015-16	250.00	218.60
2016-17 (as on 30.11.2016)	150.00	50.90
Total	1200.00	929.44

(Source: MNRE Annual Report 2016-17)



MNRE has decided to target up to 5 GW by the year 2022 through SHP in the total target of 175 GW from Renewable Energy Sources. To achieve the target in full during the remaining period of 12th Plan, the Ministry interacted with SHP developers (State Nodal Departments/Agencies). A consultative meeting held on 31st August, 2015, wherein the State Governments opted to achieve the following targets voluntarily. State wise details are given below:-

S.No.	Name of State	Target allocated (MW)
1	Arunachal Pradesh	500
2	Himachal Pradesh	750
3	Jammu & Kashmir	500
4	Karnataka	250
5	Maharashtra	200
6	Odisha	100
7	Punjab	100
8	Uttarakhand	500
	Total	2900

While SHP is already cost competitive with conventional power, increased efficiencies and capacity utilization factors would make it even more viable in the future. In order to further enhance the total power generation from SHP's it is essential to harness all potential sites. According to the MNRE, the focus of the SHP programme is to lower the cost of equipment, increase its reliability and set up projects in areas which give the maximum advantage in terms of capacity utilization.

(Source: MNRE Annual Report 2016-17)

Government incentives in SHP Projects

Small hydropower development being one of the thrust areas of power generation from renewables in the Ministry of New and Renewable Energy (MNRE) is encouraging development of small hydro projects in the State sector as well as through private sector participation in various States through various policy and financial initiatives

- The Ministry provides central financial assistance/ financial support in the form of grants/ assistance/ subsidy towards the following schemes / activities / sub-schemes.



- a. Resource assessment and support for identification of new sites: scheme to support identification of new potential SHP sites, preparation of Plan and Detailed Project Report (DPR) including detailed survey & investigation (DSI) for SHP project sites to the Central / State government department and agencies/ local bodies.
- b. Scheme to support for setting up new SHP projects in the private/ co-operative/ joint sector.
- c. Scheme to support for setting up new SHP projects in the Government Sector.
- d. Scheme to support for renovation and modernisation of existing SHP projects in the government sector.
- e. Scheme to support for development / Up gradation of Water Mills (mechanical/ electrical output) and setting up Micro Hydel Projects (up to 100KW capacity).
- f. Research & Development and Human Resource Development: Support to R&D projects, strengthening of technical institutions, setting up turbine laboratory, business meets, training programme/ courses, fellowships etc., monitoring of SHP projects, consultancy and/ or any other activity left necessary for the SHP development. The Financial assistance is considered for these activities on case to case basis.

(Source: MNRE, <http://mnre.gov.in/schemes/grid-connected/small-hydro/>)

Procedure of SHP development in India

- Small Hydro is a state government subject and hence state government allots the sites.
- Site may be ready with investigations, report or may not be with any data
- Sites are allotted to private sector on MOU, advertisement based by state government through nodal agency.
- All SHPs are dealt and approved techno-economically at state level
- Implementation agreement, power purchase agreement is drawn between IPP and state utility
- State Electricity Regulatory Commission approves the tariff
- Environment clearance not required for projects below and up to 25 MW

Advantages of Small Hydro Plants

The Small hydro projects have following distinct advantages:

- Hydro power involves a clean process of power generation
- More suited for the sensitive mountain ecology
- Can be exploited wherever sufficient water flows - along small streams, medium to small rivers
- Small capital investment and short gestation period
- Minimal transmission losses
- With careful planning and adoption of simplified and standardized designs, SHP installations are becoming increasingly competitive with thermal, diesel or gas based power generation.
- Building SHP plants helps create a more diversified electricity system, providing production of electricity in smaller distribution systems when the main grid is disrupted. Furthermore, since SHP is a decentralised energy source located close to the consumers, transmission losses can be reduced.
- SHP schemes assist in the maintenance of river basins by allowing the recovery of floating waste from the rivers, the monitoring of hydrological indicators of the stream.
- High energy payback ratio of SHP makes it favourable renewable energy option. For each power generation system, the "energy payback" is the ratio of energy produced during its normal life span, divided by the energy required to build, maintain and fuel the generation equipment. If a system has a low payback ratio, it means that much energy is required to maintain it and this energy is likely to produce major environmental impacts.
- It is a renewable source of energy and contributes to the upliftment of the rural masses, especially projects located in remote and inaccessible areas.
- It is the most cost effective option for power supply because it does not suffer from the limitation on account of fuel consumption.
- Most small hydro projects in Himalayan region are being developed in remote and backward areas where substantial support for economic development is actually needed.
- Small hydro power contributes in solving the low voltage problem in the remote hilly areas and helping reducing the losses in transmission and distribution.



- In certain cases projects are helpful in providing drinking water and irrigation facilities.
- It helps in promoting the local industries in remote areas.
- The development of small hydro projects requires minimum rehabilitation and resettlement as well as environmental problems.
- Small hydro projects help in generating self-employment in remote areas of the state.
- Small hydro power projects help in providing stable electricity supply at remote areas where such facility by other source shall be much costlier and unreliable.

Road Ahead

The World is in a transition phase and energy is central to it. India has been responsible for almost 10% of the increase in global energy demand since 2000. India's energy demand in this period has almost doubled, pushing the country's share in global demand up to 5.7% in 2013 from 4.4% at the beginning of the century. The primary energy demand in India has grown from about 441 Mtoe (Million tonnes of Oil Equivalent) in 2000 to about 775 Mtoe in 2013. This demand is expected to increase to about 1250 (estimated by International Energy Agency) to 1500 (estimated in the Integrated Energy Policy Report) million toe in 2030. India's energy consumption has almost doubled since 2000 and the potential for further rapid growth is enormous. Yet the increase in domestic energy production is far below than India's consumption needs. By 2040 more than 40% of primary energy supply will be imported, up from 32% in 2013. It may also be noted that no country in the world has been able to achieve a Human Development Index of 0.9 or more without an annual energy supply of at least 4 toe per capita. Consequently, there is a large latent demand for energy services that needs to be fulfilled in order for people to have reasonable incomes and a decent quality of life.

Recognizing the formidable challenges of meeting the energy needs and providing adequate and varied energy of desired quality in a sustainable manner and at reasonable costs, improving efficiency have become important components of energy policy. In addition, the environmental and health burdens arising out of the use of hydrocarbons may also force mankind towards energy efficiency and clean energy systems. Energy Conservation has also assumed enhanced importance with a view to conserve depleting energy resources.

Ministry of Power, through Bureau of Energy Efficiency (BEE), has initiated a number of energy efficiency initiatives in the areas of household lighting, commercial buildings, standards and labeling of appliances, demand side management in agriculture/ municipalities, SME's and large industries including the initiation of the process for development of energy consumption norms for industrial sub sectors, capacity building of SDA's (Designated State Agencies) etc.

Improving the energy efficiency with the help of hydro power is the dual objective of promoting sustainable development and of making the economy competitive. Hence realizing the need for the immediate revival of the hydropower sector in India, the MoP has recently forwarded a proposal to the Expenditure Finance Committee (EFC) of the Cabinet for approval. This proposal, apart from highlighting the importance of the hydro sector in ensuring long-term sustainable energy security, recommends strategies to accelerate hydropower development which will form a part of proposed Hydro Policy.

(Source: Ministry of Power, <http://powermin.nic.in/en/content/overview-2>)

**BUSINESS OVERVIEW****Overview**

Our company, was originally incorporated on September 5, 2013 as a public limited company under the name and style of “**POM SEF Hydro Energy Limited**”. Puri Oil Mills Ltd. and Sai Engineering Foundation were the major shareholders of POM SEF Hydro Energy Limited at the time of incorporation. On, April 17th 2015, Puri Oil Mills Limited and its Group Companies acquired the entire shareholding of Sai Engineering Foundation and its associates. Subsequent to this the name of the Company was changed to POM Hydro Energy Limited.

We are a hydroelectric power generation company presently operating three private sector Small Hydro-electric Power Plant, with capacity of 4.8 Megawatt (MW) designed to produce electrical energy estimated at 27.16 Million Unit (MU) annually. These hydro assets were acquired through business transfer/ slump sale from Puri Oil Mills Limited (‘Puri Oil’) on April 01, 2016.

Location of Manufacturing Facility

We are presently operating three Small Hydro power Projects with a total capacity of 4.8 MW located in the states of Himachal Pradesh & Haryana, as detailed hereunder:-

Location	Capacity (MW)	Arrangement	Type
Mussapur District Karnal, Haryana	1.4	BOO	Irrigation canal based project
Khukhani District – Yamunanagar, Haryana	1.4	BOO	Irrigation canal based project
Chakshi District Kullu, Himachal Pradesh	2.0	BOOT	Run of the river

The Electric energy generated through the plants is being sold to respective State Utilities Governments under long term Power Purchase Agreements (PPA).

Mussapur unit was the first Power Plant established with a project cost of ₹ 16.30 crores and started its operation on June 17, 2011. Later in the same year on September 30th our second plant of Khukhani was established at a cost of ₹17.48 crores. Further our third plant Chakshi with a total project outlay of ₹ 18.80 crores was established on February 22, 2012. The project completion cost however excludes liabilities on account of various obligations arising out of the contracts/ agreement signed with respective Governments Department/ Agencies.

Our Competitive Strengths**1. Long Term PPA between HPSEB and HPPC**

We have entered into three Power Purchase Agreements with state utilities in the Northern region of India, as detailed under:

Khukhani & Mussapur Projects: Long term PPAs have been signed with Haryana Power Purchase Centre (HPPC) dated 13/08/2010 for a period of 25 years, subject to extension by another 10 years through mutual agreement. The tariff for these projects has been enhanced by Haryana Electricity Regulatory Commission vide order dated 28/08/2015. The tariff for the year 2017-18 was ₹ 3.80 /kWh (3.99/kwh upto 29/09/2017).

Chakshi Project: Long term PPA has been signed with Himachal Pradesh State Electricity Board (HPSEB) dated 30/08/2007 for a period of 40 years @ ₹ 2.50 /kWh initially. Later on 28/11/2011 another supplementary PPA with a revised tariff of ₹ 2.95/ kWh was signed when the project started commercial operations. Further there was a revision in the



PPA again and a supplementary PPA was signed on 05/02/2015 because of change in interconnection point from Barchaini Substation to our plant site in Chakshi.

These PPA's assure us the payment for sales of electricity to these state utilities. As per PPA, we are entitled for interest for the delayed payment by the utility which we have been actually receiving wherever the payment has been delayed. We have not experienced any significant delays in payment or payment defaults by such customers in the past, and we maintain strong working relationships with these customers. We believe that the long-term nature of our PPA provides us with stability in our operations, irrespective of the changing market scenario, during the currency of the PPA.

2. *Assured Off-take*

The PPA provides that HPSEB and HPPC shall purchase the entire power generated by the Power Plants and available for sale. Accordingly, during the currency of the PPA, we are insulated from market uncertainties and are not required to market the power generated.

3. *Deemed generation*

In case distribution licensee i.e. HPSEB and HPPC fails to evacuate the power from the Interconnection Point for any reason or instructs us not to generate power partially or completely, such deemed generation benefit shall be made available to us under the PPA.

4. *No vagaries with respect to raw material costs*

Since we operate a hydro-electric power plant which converts the energy of river flow into electrical energy, there are no specific raw material costs involved. Accordingly, we are insulated from changes in raw material prices.

5. *Protection against Competition*

As mentioned above, HPSEB and HPPC are required to purchase the entire power generated by the Power Plants and available for sale at the Interconnection Point from the Company under the PPA at the approved tariff. Accordingly, during the currency of the PPA, our revenues shall not be affected due to competition.

6. *Experienced Management*

We have been in the business of generation of hydroelectric power since 2011 through our holding company Puri Oil Mills Ltd. We have recruited experienced managerial and technical personnel in the operation and management of hydro-electric power plants. We believe that we will be able to leverage our experience in operating hydroelectric projects to develop and operate our existing pipeline of projects as well as source new projects in the future. For details of our key managerial personnel, please refer to the section titled "Our Management - Key Managerial Personnel" of this Prospectus.

7. *Environment friendly plant*

Our power plants are canal based and run-of-the-river type small hydro projects. All our projects are environment friendly and harness renewable natural resources for generation. Operations of the power plant do not involve release of harmful emission or pollutants.

8. *Efficient and Lean Operations & Maintenance (O&M) Practices*

Our Company with its expertise and understanding of Hydro Business has been able to successfully run all its existing project. Our O&M practices are highly efficient resulting into minimal plant outage instances. With higher generation at lower running cost the payback period for all projects has reduced significantly.

9. No wheeling Charges

For our Haryana projects, wheeling charges have been waived by Hon'ble Supreme Court and thus we have special advantage and we have also received the refund for the amount against wheeling charges deducted by the utility. In addition to this, being in Himachal Pradesh, wheeling charges are also not applicable on our chaksi project.

10. Ease of access

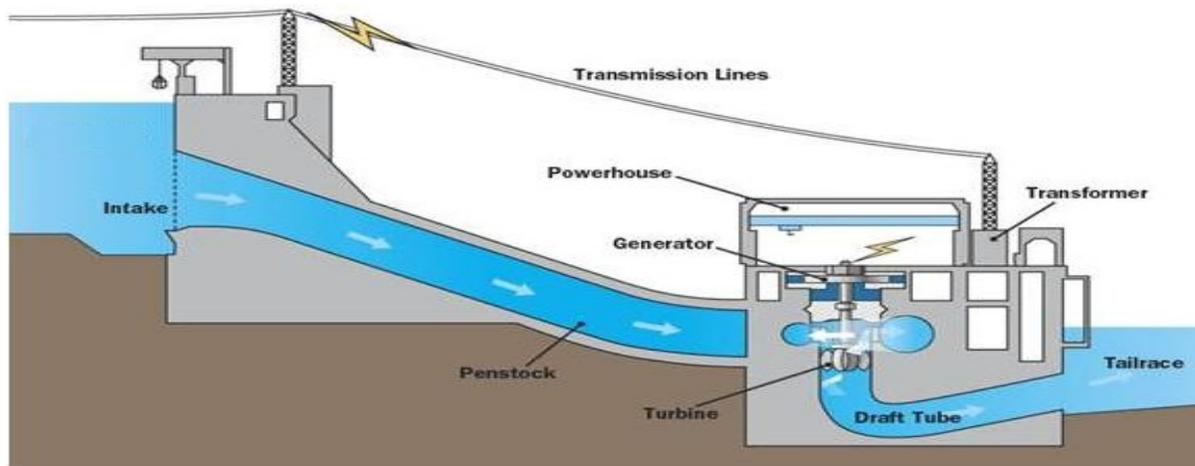
In Haryana our power generation plant sites are accessible by well-built motorable road up to the project site/power house. Such an ease in access help in operating and maintenance of the plant efficiently and address any contingency in a minimal time to avoid any generation loss.

11. No transmission losses for Projects

Transmission loss is the loss of energy which happens in the process of power off take through transmission lines from generation plant up to the delivery point. The Delivery point is where the electricity is measured and billed. The longer are the transmission lines (being delivery point far from generating plant) the more are the energy losses. Since the delivery point as for our projects is the switchyard of the plant, therefore our projects save a significant amount of cost on account of lesser transmission loss resulting in higher saleable generation.

Generation Process

Process Flow



- Hydroelectric power is generated by converting the kinetic energy of the water originated while it flows in downstream direction. The flowing water is directed towards the turbines and generators.
- The hydraulic turbine converts the energy of flowing water into mechanical energy. In order to generate electricity from the kinetic energy in moving water, the water has to move with sufficient speed and volume to spin the turbine (propeller-like), which in turn rotates a generator to generate electricity. Roughly speaking, 120 liters of water per second falling one meter can generate one kilowatt of electricity. There are a different types of turbines used at hydropower facilities, and their use depends on the amount of hydraulic head (vertical distance between the dam and the turbine) at the plant.
- Subsequently, the hydroelectric generator converts this mechanical energy into electricity. It is based on the principle that when a magnet is moved past a conductor, it causes electricity to flow.

- In a large generator, electromagnets are created by circulating electric current through loops of wire wound around stacks of magnetic steel laminations (field poles). These field poles are mounted on the perimeter of the rotor. The rotor is attached to the turbine shaft, and rotates at a fixed speed. When the rotor turns, it causes the field poles (the electromagnets) to move past the conductors mounted in the stator. This in turn, causes electricity to flow and a voltage to develop at the generator output terminals
- To increase the volume of moving water, impoundments or dams are used to collect the water. An opening in the dam uses gravity to drop water down a pipe called a penstock. The moving water causes the turbine to spin, which causes magnets inside a generator to rotate and create electricity.
- The aforementioned process converts kinetic energy contained in the water into electricity. This electricity so generated is then fed into the electrical grid.

We have till date implemented three (3) projects of which two are ‘Irrigation canal based project’ and one based on ‘Run of the river’ type. Detailed herewith are the stages covering both type of projects:

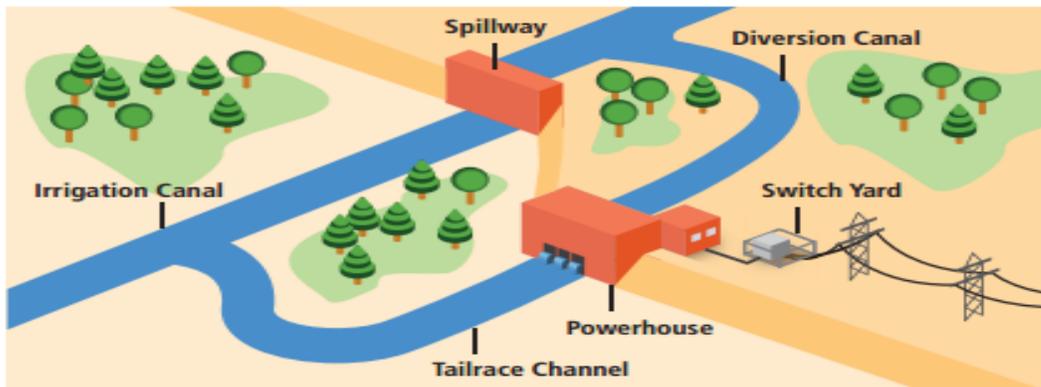
Run-of-the-river schemes

These schemes are normally on hill streams comprising diversion structures (small dam/weir). Water conductors, which may be an open channel, cut and cover ducts, conduits, steel pipe, and tunnel, depending on site conditions desilting tank, forebay, penstock, powerhouse and tailrace are developed for these systems. Such schemes have limitations of flows as small hilly streams are generally not perennial and those streams that are non-perennial have very wide flow variations throughout the year, substantial storage cannot be economically developed as a result of which availability of power during lean months may be relatively very small or even nil.



Canal Fall based schemes

These schemes utilise the water fall on irrigation canal to generate power. They are generally on existing or proposed irrigation channels, when discharges are relatively high and head available for power generation varies in the range of 2 to 12 meters. In the case of existing falls in old canals, the powerhouse is located in the bypass channel, which takes off from the main irrigation canal constructed adjacent to the fall structure in upstream. The discharge from the powerhouse is fed back to the irrigation canal downstream. In case of new irrigation canal, the powerhouse could be located adjacent to the fall structure by suitable widening of the canal at the fall structure. The irrigation canals have generally a number of fall structures along its lengths in order to achieve the desired levels of the command area where its flow are to be diverted for irrigation. These falls could at sometimes be at close intervals, in such cases it might be economical to combine two or three falls and provide a single powerhouse to utilise the combined head.



System components required for Small Hydropower projects

System can be divided in three major parts as Civil works, Electro-Mechanical components and Distribution system. Civil work may include construction work required for weir, intake, desilting tank, forebay, conveyance line or headrace, penstock, tailrace, powerhouse, substation etc, Electro-Mechanical components includes turbines, generator and governor or control system and transmission/distribution system.

1. Weir

The function of a weir is to obstruct water flow and raise the water level significantly and sometimes to allow water storage.

2. Intake

It diverts water from a river or a pond and delivers it to a canal, penstock or storage basin

3. Headrace

It conveys the water from the intake to the forebay. A typical headrace is made of pipes of good quality materials.

4. Forebay

It is like a pond at the top of the penstock, which serves as a final settling basin for suspended matters in the water. It also provides submergence for the penstock inlet and accommodates overflow and trash rack arrangements.

5. Penstock

Penstock is a pipe that conveys water under pressure from the forebay to the turbine.

6. Powerhouse

The powerhouse provides shelter to the electromechanical equipment (turbine, generator, controls and panels). It may have sufficient space for dismantling the equipments for maintenance and repair.

7. Turbines

These are used to convert kinetic energy of flowing water into mechanical energy and transfer this energy to generators.

8. Generators

They convert Mechanical energy input from turbines to electrical energy output.

9. Control Systems

These are required to monitor and regulate the power produced from the generators in powerhouse.

10. Substation

It consists of switchgear and transformers to transform the voltage from the small hydro generator to the higher voltage transmission lines.



11. Transmission Lines

Transmission lines are sets of conductor wires, which carry electric power from generating plants to the substations that deliver power to customers. At a generating plant, electric power is “stepped up” to several thousand volts by a transformer and delivered to the transmission line.

Capacity & Capacity Utilization

Mussapur

Particulars	As at					
	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018*	March 31, 2019*	March 31, 2020*
Installed capacity (MW)	1.4	1.4	1.4	1.4	1.4	1.4
Saleable energy (MU)	9.53	6.65	9.41	9.20	9.20	9.20
Plant availability factor/capacity index (%)	78	54	76.75	75	75	75
Normative annual plant availability factor (%)	56	56	56	56	56	56

Company Estimates PLF is variable dependent on various factors.

Mussapur		PLF
Years	Generation (Kwh)	
2013-14	8,341,622	68%
2014-15	9,538,350	78%
2015-16	6,652,078	54%
2016-17	9,406,770	77%

Khukhani

Particulars	As at					
	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018*	March 31, 2019*	March 31, 2020*
Installed capacity (MW)	1.4	1.4	1.4	1.4	1.4	1.4
Saleable energy (MU)	9.20	6.46	8.51	9.20	9.20	9.20
Plant availability factor/capacity index (%)	75	53	69.41	75	75	75
Normative annual plant availability factor (%)	56	56	56	56	56	56

Company Estimates PLF is variable dependent on various factors.

Khukhani		PLF
Years	Generation (Kwh)	
2013-14	6,644,444	54%
2014-15	9,204,147	75%
2015-16	6,466,709	53%
2016-17	8,511,566	69%



Chakshi

Particulars	As at					
	March 31, 2015	March 31, 2016	March 31, 2017*	March 31, 2018*	March 31, 2019*	March 31, 2020*
Installed capacity (MW)	2	2	2	2	2	2
Saleable energy (MU)	7.12	7.21	8.88	8.76	8.76	8.76
Plant availability factor/capacity index (%)	41	41	50.68	50	50	50
Normative annual plant availability factor (%)	45	45	45	45	45	45

Company Estimates PLF is variable dependent on various factors.

Chakshi		PLF
Years	Generation (Kwh)	
2013-14	8,646,200	49%
2014-15	7,119,900	41%
2015-16	7,213,300	41%
2016-17	8,881,500	51%

Plant & Machinery

Technology

Plant	Technology
Khukhani & Mussapur	Canal drop scheme-Low head vertical axis Kaplan turbine driven Generators <i>Reaction Turbine</i>
Chakshi	Run of River Scheme- High head horizontal axis Pelton turbine driven Generators <i>Impulse Turbine</i>

List of major machines

Following is the list of major machines presently installed at our facilities:

Location: Khukhani & Mussapur

Sr. no	Description	Quantity at each of the facilities
1.	Turbine unit including gear box and OPU	2
2.	Generator	2
3.	Transformers	1
4.	Electric penal HP	One Set
5.	Electric penal LT	One Set
6.	DC Charger Penal	One Set
7.	SCADA System	1



8.	Vaccum Pump	2
9.	HOT Crane	1

Location: Chakshi

Sr. no	Description	Quantity
1.	Turbine unit including OPU	1
2.	Generator	1
3.	Transformer	1
4.	Electric penal HP	1
5.	Electric penal LT	One Set
6.	DC Charger Penal	One Set
7.	EOT Crane	1

Other Infrastructure Facilities

We have laid down proper safety manuals and have introduced Supervisory Control And Data Acquisition (SCADA) systems in Haryana Projects

Power

The power generated for operating and also for our own consumption by our offices is met through our own generation.

Manpower

Top Management of the company is suitably assisted by experience team of professional from various fields including engineering, finance, legal and secretarial and compliance & liaising. Presently we have a total of 42 employees engaged at different levels of functions. Detail of the present and proposed strength of Manpower is follows:

Category	Present
Managerial	7
Technical Supervisory staff	19
Office staff	-
Skilled workers	6
Unskilled workers	10
Total	42

Competitors

In hydro power business, there are no competitors as the sale of energy is through power purchase agreements signed with respective State Distribution Companies (DISCOMs) at the tariff determined by the Regulatory Authorities. However following is the list of project located near to our existing projects:

1. Gogripur Hydro project (Karnal, Haryana,2MW)
2. Bhoruka hydro project (Yamunanagar District, Haryana, 6MW)
3. Bhudkalan Hydro project (Yamunanagar District, Haryana Stage 1, stage 2, stage 3, stage 4 with each stage capacity of 16 MW)
4. Sai Foundation(Barsaini, Himachal Pradesh,10MW)
5. Toss Mini Hydel Power Project(Barsaini, Himachal Pradesh,20 MW)
6. Kapil MohanAssociates pvt. Ltd(Barsaini, Himachal Pradesh,4 MW)
7. Brahmaganga(ManiKaran, Himachal Pradesh, 5 MW)

Environmental Clearance

We have all the necessary approvals from the local authorities to operate our business. For more details please refer to Section “Government and Other Approvals” on page 211 of the Draft Prospectus.



Technology & Inputs

The present technologies used in all our process are proven, well known and fairly accessible. We do not have any technology agreement/collaboration for any of our processes. No significant changes are expected in the present technology in our processes. However, all our process require suitable modifications/ adjustment for efficiency from time to time, which are easily performed without having any effect on the overall performance of the units.

All our existing projects have been designed to match the highest possible quality standards. The plant & machinery has been supplied by Boving Fouress Pvt. Ltd., a well-known name in turbines, generator sets and electro mechanical equipments. These turbines follow the design popularized by GE Power, which are comparatively more efficient.

Research and Development

Research and development is key to our continued success in engineering and construction. Our research and development activities are focused on anticipating our future needs and making us more competitive. We also seek to implement the latest technological advances and developments at our project sites. Our research and development activities are concentrated primarily on studies for elongation of operating life of underwater components, such as turbines, by mitigating silt erosion.

Collaboration

At present, we have not entered into any technical collaboration.

Future Outlook and Business Strategy

Capacity Expansion

We see opportunities for growth in the power sector as GOI ushers comprehensive reforms in all segments of power sector – generation, transmission and distribution. The renewed thrust on private sector participation in the power sector by the GOI opens up new avenues for growth for our business. Given POM Hydro's hands on experience in hydro power generation in Himachal Pradesh and Haryana, we expect to leverage our own and the groups capabilities for enlarging its footprints in all related fields of generation, transmission and distribution. Our company has significant expansion plans to add up its capacity with an objective of creating value for its stakeholder by strategically focus on opportunities which provide above average market returns. For this Company is adopting four pronged strategy:

- **Acquisition of power projects/ implementation of awarded projects**

POM Hydro is actively looking to acquire hydro project which are operational or nearing commencement with Long term PPA. Further, the Company is also looking to acquire power projects with low per MW capital outlay and short gestation period. Such a strategy will reduce the execution risk, help in optimally utilizing its capital and reduce the payback period significantly. The Company plans to add up significant capacities in next three years from acquisition.

Company has four small hydro power projects with capacity totaling to 25.75 MW approximately. These project are in different phases of execution, details of which are given below:

Location	Capacity (MW)	Type	Status
UHL District Mandi, Himanchal Pradesh	14.00	Run of the river	Revised Detailed Project Report (DPR) submitted and TEC awaited. Forest clearance from MOEF awaited.



Khajuri District Yamunanagar, Haryana	2.15	Irrigation canal based project	Detailed Project Report (DPR) has been filed & approval is awaited.
Mainmatti District Karnal, Haryana	2.10	Irrigation canal based project	Detailed Project Report (DPR) has been filed & approval is awaited.
Kilhi Behl District Kangra, Himachal Pradesh	7.50	Run of the river	Detailed Project Report (DPR) has been filed & approval is awaited.

- **Capacity Enhancement of existing projects**

The capacity enhancement of our Khukhani & Mussapur power projects by 0.7 MW has been approved. This capacity enhancement is on account of increased discharge because of augmentation of canal. For such an expansion there will be less capital outlay as we have to only install plant & machinery with minor civil work. Other than this we are exploring to expand our capacities in canal based project since they have lessor uncertainties, high PLF, low execution risk and high profitability.

- **Canal top Solar projects:**

Our Company is also contemplating to set up two canal top solar power project (4.3 MW and 6.2 MW each) near its existing hydro power plant (Mussapur and Khukhani). These projects will result in significant synergies with reduction in the cost of the project by using shared infrastructure and manpower for the proposed solar canal-top and Canal-bank. Preliminary studies for the mentioned projects have been conducted and pre-feasibility reports have been filed with Haryana Renewable Energy Development Agency (HAREDA) for approval.

- **Efficient O&M of current projects**

Our three small hydro power projects having capacity of 4.8 MW are running successfully for over 5 years and the power generated is sold under long term Power Purchase Agreement (PPA) to respective State Utilities. We will continuously focus on key areas where there is scope of increasing efficiency of plant, generation potential and minimizing losses. We are conscious that the finalisation of tariff is a priority for our future projects for which tariff revision in line with Central Electricity Regulatory Commission (CERC) Tariff is necessary and awaited. All necessary steps for the same are being taken up.



SWOT Analysis

Strengths of the Company:

Strengths	Weakness
<ul style="list-style-type: none"> • Long Term PPAs • Established team of technical, professional and financial manpower. • Experience of running three projects since last 5 years • Strong project pipeline with 25.75MW of capacity • Existing hydro projects are registered under Clean Development Mechanism (CDM) & likely to earn significant revenues in the coming years. • No wheeling charges for all our Hydro projects. • Lower gearing allows company to leverage its financial strength for future expansion. 	<ul style="list-style-type: none"> • Comparatively smaller projects. • High capital intensive projects • Private land acquisition
Opportunities	Threats
<ul style="list-style-type: none"> • Our presence in North India opens up opportunity of setting-up more such projects in North India. • Various initiatives by government to set up more such conventional source of energy development. 	<ul style="list-style-type: none"> • Natural calamities • Competition from government and larger private corporate

Properties

The details with respect to our registered office are as detailed below:

Our company has taken the registered office situated at 131/6, Samkhetar Bazar, Mandi (HP) on lease for a period of 11 months w.e.f April 1, 2017 from M/s Puri Brothers. A lease agreement dated April 1, 2017 has been entered for the same. The area of the premises is 200 sq. ft. and an amount of ₹ 2500 per month per month is paid as lease rent for the same.

Owned:

Sr. No.	Name and address of the seller and date of agreement	Purpose	Description of Property	Consideration/ Rent (₹)	Area
1	Shri. Jai Singh, Shri. Nirmal Singh January 11, 2008	For use of land for the Hydro Project	Khukhani Vill Thaska Khadar/18 Khewat No.8 Khatoni No.10 Khasra no.11 (3-7) and 20 (0-12)	9,52,338/-	3 kanals 19 marlas(1998.14 sq. mtr.)
2	Shri. Dharambir Singh, Shri. Sumer Chand, Smt. Ishro Devi, Smt. Sita Devi, Smt. Pushpa Devi and Shri. Manoj Kumar January 11, 2008	For use of land for the Hydro Project	Khukhani Vill Thaska Khadar/18 Khewat No.118 Khatoni No.155 Khasra no.16/1 (6-10)	14,49,000/-	6 kanals(3035.14 sq.mtr.)
3	Shri. Prithvi Singh and Shri.	For use of	Khukhani	2,40,853/-	1 kanals



	Ranvir Singh and Ors January 15, 2008	land for the Hydro Project	Vill Thaska Khadar/18 Khewat No.113 Khatoni No.150 Khasra no.24 (5-4)		(505.86 sq.mtr.)
4	Shri Dharambir Singh April 23, 2010	For use of land for the Hydro Project	Khukhani 3rd unit Vill Thaska Khadar/18 Khewat No.121 Khatoni No.157 Khasra no.15/2 (0-10) and 16/1/2 (3-10)	2,58,400/-	1 kanal 19 marlas (986.43 sq. mtr.)
5	Mr. Satbir Singh, Mr. Ram Karan, Sh. Ramphal September 12, 2007	For use of land for the Hydro Project	Mussapur Vill. Tusang, Distt. Karnal Khewat No.134 Khatoni No.183 Khasra no.25/17/1/2 (2-17), 18/2 (3-18), 22/2 (2-8) 17/1/2-2-17-18/2 3-18 22/2 2-8 23 8-0 24/1 4-4, 38 4/1(4-07)/1/2(0-12)	18,55,750/-	7 Kanals(3541 sq.mtr.)
6	Land acquired thro' HAREDA from Shri. Jay Bhagwan, Shri. Shavinder Kumar & Shri. Surender Kumar all sons of Shri. Pritam Singh May 27, 2009	To use land for small hydro projects	Mussapur Vill. Tusang, Tehsil Indri, Distt. Karnal Rectangle no. 25 Khasra No. 7/2, 14/1 17/2/2	28,71,269/- amount paid to Hareda	8 Kanals 1 marla(4072.15 sq. mtr.)

Conveyance Deeds for the said lands are pending. The land still lies in the name of M/s Puri Oil Mills Ltd. and the conveyance deeds will be executed in favor of POM Hydro Energy Limited in due course of time.

Agreement to Sell:

Sr. No.	Name of Sellers	Purpose	Description of Property	Consideration (₹)	Area	Term (If applicable)
1	Mr. Vivek Puri and Mrs. Indu Puri	For use of land for the Chakshi project	Chakshi Project Land for Project Land for approach road	55,00,000/-	1 Bigha 15 Biswa 12 Biswani (1322.94 sq.mtr.) 2 Bigha 19 Biswa 7 Biswani (2205.52 sq. mtr.)	Date of agreement November 03, 2011

Note: Out of the total consideration of ₹ 55.00 lacs our Promoter Company has paid an amount of ₹ 1000 at the time of entering into the agreement to sell. The balance consideration is yet to be paid. The property is yet to be transferred in the name of the company.

Insurance



The Company has obtained 'Industrial All Risk Policy' ("IAR") for its Hydro Power Projects located at Mussapur, Khukhani and Chakshi from The New India Assurance Co. Ltd. The IAR Policy inter alia covers the risk of building(s) and other civil works inclusive of canal lining upstream & downstream,(Haryana Project) plant and machinery including its accessories, total station survey instrument, equipment, furniture & fittings including office equipment's, transmission line, goods held in trust cover clause. Machinery, Boiler including Piping and Acc. Turbines and Turbines Gen Set & other items insured as mentioned in the respective insurance policies.

The Company has also obtained 'Public Liability Act Policy' from the New India Assurance Co. Ltd. for all its 3 (three) commissioned projects i.e. Chakshi, Mussapur and Khukhani. Our insurance coverage may not be adequate to cover all risks relating to our operations.

Intellectual Property:

We do not presently own, nor have we registered, any intellectual property rights over our name and logo under the Trademark Act 1999, and consequently do not enjoy the rights accorded thereunder with respect to the usage of our name and logo.



KEY INDUSTRY REGULATIONS AND POLICIES

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications 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.

Approvals:

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled —Government and Other Statutory Approvals beginning on page number 202 of this Prospectus.

THE INDIAN POWER SECTOR:

“Electricity” falls within the Concurrent List of the Seventh Schedule to the Constitution of India. Therefore, both the Government of India and the governments of the governing States have the power to legislate in this sector, provided that a State enactment does not conflict with any Central enactment.

The Electricity Act, 2003 (“Electricity Act”):

The Electricity Act was enacted by the Government of India to consolidate the laws relating to generation, transmission, distribution and use of electricity and the development of the electricity industry, promoting competition therein, protecting interest of consumers, rationalisation of the electricity tariff, and ensuring transparent policies regarding subsidies. The Electricity Act, on enactment repealed the Indian Electricity Act, 1910, the Electricity (Supply) Act, 1948, and the Electricity Regulatory Commissions Act. The provisions of the Electricity Act came into force *w.e.f.* June 10, 2003 and apply to the whole of India excluding the State of Jammu and Kashmir, which shall have its own State legislation. The Government of India, has time and again amended certain provisions of the Electricity Act by enacting the Electricity (Amendment) Act on December 30, 2003, and June 15, 2007. The Electricity (Amendment) Bill, 2014 is currently pending before the Parliament.

Authorities/ Regulatory Bodies under the Electricity Act:

The Central Electricity Authority (“CEA”) was originally constituted under the repealed Electricity (Supply) Act, 1948 and its powers and functions were amended under the Electricity Act. The CEA regulates the working of the Central Electricity Regulatory Commission (“CERC”) and a State Electricity Regulatory Commission (“SERC”) for each State, which were originally constituted under the repealed Electricity Regulatory Commissions Act, 1998. The CERC’s functions include regulation of tariff of power generating companies owned or controlled by the Central Government and tariff of power generating companies other than those owned or controlled by the Central Government, if such generating companies have a composite scheme for generation and sale of electricity in more than one State and of inter-State transmission of electricity; determination of tariff for inter-State transmission of electricity; issuance of licenses to generating companies, transmission licensees and electricity traders with respect to their inter-State operations; adjudication of disputes involving generating companies or transmission licensees regarding matters under the Electricity Act and the power to refer any dispute for arbitration; levy of fees for purposes of the Electricity Act; specifying the Indian Electricity Grid Code (“IEGC”) with regard to the Grid Standards; specifying and enforcing standards with respect to quality, continuity and reliability of service by licensees; fixation of the trading margin in inter-State trading of electricity, if considered the Government of India and it acts as an advisor to the Central Government on matters relating to the national electricity policy, formulates plans for development and co-ordinates with planning agencies for optimal usage of resources. The CEA also specifies technical standards and safety requirements for electrical plants, lines and grids.



The Electricity Act also provides for constitution of the Central Electricity Regulatory Commission Fund and respective State Electricity Regulatory Commission Funds, wherein any grants and loans made to the CERC and SERCs by the Central or State government, as the case may be, and all fees and sums received by the CERC or SERC, as the case may be, under the Electricity Act will be credited. The Fund shall be applied for meeting the expenses of the CERC or the SERC, as the case may be, in discharge of its functions and expenses on objects and for purposes authorised by the Electricity Act. The Central Government may, in consultation with the Comptroller and Auditor General of India, prescribe the manner of applying the Fund for meeting such expenses.

The appropriate Government may appoint duly qualified persons to be the Chief Electrical Inspector. An appeal will lie from the decision of a Chief Electrical Inspector or Electrical Inspector to the appropriate Government or if the appropriate Government directs, to an appropriate commission. Every Electrical Inspector or other person holding an inquiry under has the powers of a civil court. The State government may also, for speedy trial of offences under the Electricity Act, constitute as many special courts as necessary for such areas as specified in the notification. A special court shall consist of a single Judge appointed by the State government with the concurrence of the High Court, who shall have the powers of a court of session. The Special Court may try the offence in a summary way in accordance with the Criminal Procedure Code, 1973. The Electricity Act also provides for establishment of an Appellate Tribunal for Electricity vested with the powers of a civil court to settle appeals against the order of an adjudicating officer or appropriate commission under the Electricity Act. Any person aggrieved by a decision of the Appellate Tribunal for Electricity may file an appeal to the Supreme Court. All proceedings before an Electrical Inspector or the Appellate Tribunal for Electricity are deemed judicial proceedings within the meaning of the Indian Penal Code.

The National Electricity Policy, 2005 (“NEP”):

The NEP was notified under Section 3 of the Electricity Act by the Government of India on February 12, 2005, in consultation with the CEA and the respective State governments, in order to accelerate development in the power sector by introducing provisions to provide supply of electricity to all areas and to protect interests of consumers and other stakeholders, keeping in view availability of energy resources, technology available to exploit such resources, economics of generation using different resources and energy security issues. The salient features of this policy are as stated below:

- providing access to electricity to all households in India within the next five years, including through creation of a ‘Rural Electrification Distribution Backbone’;
- fully meeting India’s power demand, by overcoming energy and peaking shortages and making available adequate spinning reserve;
- progressive reduction in surcharge in line with progressive reduction in cross-subsidies and reduction in tariffs charged by SERCs;
- supply of reliable and quality power of specified standards in an efficient manner and at reasonable rates;
- financial turnaround and commercial viability of the electricity sector; and
- protection of consumer’s interest.

With a view to increase the overall share of non-conventional energy sources in the electricity mix, efforts will be made to encourage private sector participation through suitable promotional measures. Maximum emphasis would be laid on development of feasible hydro potential particularly in the North-Eastern States, Sikkim, Uttarakhand, Himachal Pradesh and Jammu & Kashmir. Debt financing of longer tenure would be made available for hydro projects. Progressively the share of electricity from non-conventional sources would need to be increased as prescribed by the SERCs. Such purchase by distribution companies shall be through competitive bidding process. Considering that it will take time before non-conventional technologies compete in terms of cost with conventional sources, the appropriate commission may determine an appropriate differential in prices to promote such technologies. Generating companies may enter into medium to long-term fuel supply agreements especially with respect to imported fuels for commercial viability and security of supply.

National Electricity Plan:

Section 3(4) of the Electricity Act requires the CEA to frame a National Electricity Plan once in five years and revise the same from time to time in accordance with the National Electricity Policy. Also, section 73(a) of the Electricity Act provides that formulation of short-term and perspective plans for development of the electricity system and coordinating the



activities of various planning agencies for the optimal utilization of resources to sub serve the interests of the national economy shall be one of the functions of the CEA. The Plan prepared by CEA and approved by the Central Government can be used by prospective generating companies, transmission utilities and transmission/distribution licensees as reference document.

Accordingly, the CEA shall prepare short-term and perspective plan. The National Electricity Plan would be for a short-term framework of five years while giving a 15 years' perspective and would include:

- Short-term and long-term demand forecast for different regions;
- Suggested areas/locations for capacity additions in generation and transmission keeping in view the economics of generation and transmission, losses in the system, load centre requirements, grid stability, security of supply, quality of power including voltage profile etc. and environmental considerations including rehabilitation and resettlement;
- Integration of such possible locations with transmission system and development of national grid including type of transmission systems and requirement of redundancies; and
- Different technologies available for efficient generation, transmission and distribution.
- Fuel choices based on economy, energy security and environmental considerations.

While framing the National Electricity Plan, CEA will consult all the stakeholders including state governments and the state governments would, at state level, undertake this exercise in coordination with stakeholders including distribution licensees and STUs. While conducting studies periodically to assess short-term and long-term demand, projections made by distribution utilities would be given due weightage. CEA will also interact with institutions and agencies having economic expertise, particularly in the field of demand forecasting. Projected growth rates for different sectors of the economy will also be taken into account in the exercise of demand forecasting.

The National Electricity Plan for the ongoing 10th Plan period and 11th Plan and perspective Plan for the 10th, 11th & 12th Plan periods would be prepared and notified after reviewing and revising the existing Power Plan prepared by CEA.

The National Hydro Power Policy:

Based on the recommendations of the Committee on Hydro Power which first submitted its report in March, 1997, the Hydro Power Development Policy was formulated. On August 28, 1998, the Government has accorded approval to the policy on Hydro Power Development.

The object of the Policy is to prevent a decline in hydro share and to undertake measures for the exploitation of vast hydro-electric potential in the country especially in the North and North-Eastern Regions. Hydro stations now account for only 25% of the total installed capacity as against the ideal hydro thermal mix of 40:60. The total hydro potential assessed by CEA at 60% load factor is 84,044 MW. As on 31.7.1998, 15% of this potential has been utilised. With the completion of the hydel projects under construction, the hydro potential utilised would increase to 22%.

The objectives of the current policy are:

- Ensuring targeted capacity addition during 9th Plan;
- Exploitation of vast hydroelectric potential at a faster pace;
- Promoting small and mini hydel projects;
- Strengthening the role of PSUs/SEBs for taking up new hydel projects;
- Increasing private investment.

The objectives would be achieved by using the following policy instruments:

- Providing adequate funds in the Central/State Government budget and organizing supplementary funding through Power Finance Corporation.
- Entrusting basin wise development to Central Hydel Public-Sector Corporations.
- Funding support for Survey and Investigations.



- Establishing a Power Development Fund by levy of cess on electricity consumed and using two-third of the proceeds to promote power development by the State Governments. The remaining one-third will be utilised by the Central Government for promoting hydel projects in the Central Sector and for investment in transmission lines for evacuation of power from inter-State mega hydel projects.
- Providing a differential pricing for peaking power to facilitate greater investment in hydel projects which have the capability to supply peaking power in a cost-effective manner.
- Providing an institutional mechanism for dealing with geological risks.
- Utilising the joint venture frame work for promoting hydel projects.
- Simplification of procedures relating to transfer of clearances from State Government to Central Public-Sector Undertakings and State Government to private sector.
- Enhancing the ceiling limits for techno-economic clearance by CEA in respect of projects promoted on the MOU route.
- Transfer of work relating to the development of small hydel projects upto 25 MW capacity from Ministry of Power to Ministry of Non-Conventional Energy Sources and providing a suitable incentive package.

A. ENVIRONMENT LAWS:

A.1 The Environment Protection Act, 1986 (“Environment Protection Act”):

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

A.2 National Environmental Policy, 2006:

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation



A.3 Water (Prevention and Control of Pollution) Act, 1974:

The Water (Prevention and Control of Pollution) Act 1974 (“**Water Act**”) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

A.4 The Forest (Conservation) Act, 1980 (“FCA”):

The FCA came into force on October 25, 1980, prohibits use of any forest for non-forest purposes, except with the prior consent of the Government of India. ‘Non-forest purposes’ do not include uses (including construction of dams) ancillary to the conservation, development or management of forests or wildlife. Contravention of this provision may attract a penalty of imprisonment of up to fifteen days. A Forest Advisory Committee has been constituted under the FCA to advise the Government of India on the grant of approvals and other matters relating to forest conservation. The Government of India reserves the rights to make rules under the FCA. The Forest (Conservation) Rules, notified on January 10, 2003 which superseded the Forest (Conservation) Rules, 1981, prescribe the forms in which approvals or renewals of approvals under the FCA are required to be sought.

B. CORPORATE COMPLIANCES:

B.1 The Companies Act 1956 and The Companies Act, 2013:

The consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013. The Companies act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company.

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

C. INDUSTRIAL LAWS:

C.1 The Factories Act, 1948 (“Factories Act”):

The Factories Act aims at regulating labour employed in factories. A ‘factory’ is defined as any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on. The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places. Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the ‘occupier’, being the person who has ultimate control over the affairs of the



factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

D. LABOUR LAWS:

D.1 The Contract Labour (Regulation and Abolition) Act, 1970:

The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”) require registration of every establishment, including establishments of the Government of India and local authorities, in which 20 or more workmen are or were employed on any day in the preceding 12 months as contract labour, and of every contractor who employs or employed 20 or more workmen on any day of the preceding 12 months. The CLRA does not apply to establishments where work performed is of intermittent or casual nature. The Government of India and State governments are required to set up Central and State Advisory Boards, which perform advisory functions in relation to matters arising out of the administration of the CLRA. Under the CLRA, a registered contractor is required to pay wages and ensure disbursement of wages in the presence of an authorised representative of the principal employer. In case of a contractor’s failure to pay wages in part or in full, the principal employer is liable to pay the same. In case the contract labour performs same or similar work as regular workmen, they are entitled to the same wages and service conditions as regular workmen as per the Contract Labour (Regulation and Abolition) Central Rules, 1971.

D.2 The Trade Unions Act, 1926:

Trade Unions Act provides for the registration of the trade unions with the Registrars of Trade Unions of their territory. Any seven or more members of a trade union, by submitting their names to the Registrar of Trade Unions and otherwise complying with the provisions of the Trade Unions Act with respect to registration may apply for the registration of the Trade Union under the Trade Unions Act. The Act gives protection to registered trade unions in certain cases against civil and criminal action.

D.3 Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (“the EPF Act”) and the Employees Provident Fund Scheme, 1952:

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

D.4 Employees Deposit Linked Insurance Scheme, 1976:

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer’s contribution and also Central Government’s contribution to the insurance fund shall be credited to an account called as —Deposit-Linked Insurance Fund Account.



D.5 The Employees' Pension Scheme, 1995:

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

D.6 Employees' State Insurance Act, 1948 (the "ESI Act"):

It is an act to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

D.7 Payment of Bonus Act, 1965:

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year covered to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

D.8 Payment of Gratuity Act, 1972:

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

D.9 Minimum Wages Act, 1948:

The Minimum Wages Act, 1948 ("MWA") came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

D.10 Maternity Benefit Act, 1961:

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for



the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

D.11 Equal Remuneration Act, 1976:

The Equal Remuneration Act 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

D.12 Child Labour Prohibition and Regulation Act, 1986:

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

D.13 Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001:

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

D.14 The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

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

D.15 Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957:

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment.



The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lockouts, closures, lay-offs and retrenchment.

E. TAX RELATED LEGISLATIONS:

E.1 Goods and Service Tax (GST):

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively.

A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Taxpayers with an aggregate turnover upto ₹ 20 lakhs would be exempt from GST. The exemption threshold for special category of states like North-East shall be ₹ 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto ₹ 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18% and 28%.

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State GST authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assesseees are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

F. INTELLECTUAL PROPERTY LEGISLATIONS:

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

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957:

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.



Trade Marks Act, 1999:

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

G. GENERAL LAWS:

Apart from the above list of laws – which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930, Consumer Protection Act 1986 etc., also apply to the company.



HISTORY AND CERTAIN CORPORATE MATTERS

POM Hydro Energy Limited (**‘the Company’**) was originally incorporated as a Public Company under the Companies Act, 1956 (**‘Old Act’**) with the Registrar of Companies, Himachal Pradesh (**‘ROC’**) as **‘POM SEF Hydro Energy Limited’** on September 5, 2013. The Certificate of Commencement of Business as required under section 149(3) of the Old Act was received by the Company on March 26, 2014. The Company has its registered office situated at 131/06 Samkheter Bazar, Mandi District, Mandi, Himachal Pradesh-175001.

The Corporate Identity Number (**‘CIN’**) is **U40109HP2013PLC000514**. Mrs. Indu Puri, Mr. VivekPuri, Mrs. Shalini Puri, M/s. Puri Oil Mills Limited, M/s. Sai Engineering Foundation, Mr. Raj Kumar Verma and Mr. Hem Singh Thakur acted as the Subscribers to the Memorandum of Association (**‘MOA’**) of the Company.

Subsequently, the Company changed its name from **‘POM SEF Hydro Energy Limited’** to **‘POM Hydro Energy Limited’** on July 15, 2015 after passing necessary Special Resolution on June 19, 2015 in terms of section 13(2) of the Companies Act 2013(**‘New Act’**). The details of the name change have been summarized as under:

S. No.	Change of Name	Date of EGM Resolution	Date of fresh certificate of incorporation	Reason for change in name
1	From ‘POM SEF Hydro Energy Limited’ to ‘POM Hydro Energy Limited’	June 19, 2015	July 15, 2015	On April 17,2015Sai Engineering Foundation (SEF), a shareholder of the company (45% equity) has transferred all its shares to Puri Oil Mills Ltd. resulting in Puri Oil Mills Ltd. becoming a 100% holding of the Company. Due to the transfer of the shares, Sai Engg. Foundation is not an associate of the Company anymore, therefore the name of SEF is deleted from the name.

Key milestone

Sr. No.	Year	Milestone
1	2001	Puri Oil Mills entered into Hydro Business with allotment of Chakshi project. Signing of MOU for UHL Project.
2	2006	During the year Puri Oil Mills signed IA for Chakshi Project with Government of Himachal Pradesh. MOUs for Khukhani & Mussapur project signed with Government of Haryana, Irrigation Department and HAREDA respectively.
3	2007	<ul style="list-style-type: none"> • Puri Oil Mills signed of PPA for Chakshi Project with HPSEB, • DPR of Khukhani & Mussapur project approved.
4	2008	Sanction of Term Loan by SBI for Chakshi, Khukhani & Mussapur in Puri Oil Mills
5	2010	Puri Oil Mill Ltd. signed PPAs for Khukhani & Mussapur Projects with HPPC Signing of IA for UHL Project for 9MW



6	2011	<ul style="list-style-type: none">• Mussapur and Khukhani project got commissioned• Supplementary PPA for the Chakshi project signed with tariff increased to ₹2.95 per MW• Enhancement of capacity of Khukhani & Mussapur projects approved,• Capital subsidy for Mussapur, Khukhani and Chaksi project was sanctioned by MNRE,• Pre IA of Kilhi Bahl signed,• Company was allotted Mainmatti and Khajoori Project and MOU was signed with HAREDA
7	2012	Chakshi project commissioned
8	2013	Incorporation of company POM SEF Hydro Energy Ltd. Signing of SIA for UHL Project for 14MW Signing of Agreement for shifting of Interconnection point for Chakshi project
9	2014	Supreme Court/ APTEL order for waiving of wheeling charges for Haryana projects
10	2015	<ul style="list-style-type: none">• HEPRC order for Shifting of inter connection point of Chaski project and HERC order for revision of tariff for Khukhani & Mussapur• HERC order in pursuance of APTEL Judgement for revision of levellised tariff from Rs. 2.99 to 3.96 for Khukhani & Mussapur• CDM registration of Khukhani, Mussapur and Chakshi Project• Start of 100% exemption u/s 80IA of I. Tax Act for Mussapur and Khukhani project• Name of POMSEF Hydro Energy Limited was changed to POM Hydro Energy Limited
11	2016	Hydro business of Puri Oil Mills Ltd. was transferred to POM Hydro Energy Ltd. by Slump Sale. In Principle sanction of Term loan by State Bank of India for UHL Project.
12	2017	Start of 100% exemption u/s 80IA of I. Tax Act for Chakshi project State government approval of the forest case for UHL Project and forwarding it with their recommendation to MOEF. All other NOC's/Approvals for UHL Project have already been obtained Signing of Tripartite Agreement for transfer of UHL and Kilhi Behl project to POM Hydro Energy Limited without any transfer charges/ fee of ₹ 50,000/Mw

1.1 Main objects of the Company

The main objects of Company as per its Memorandum of Association are as under:

- “1. To carry on in India or elsewhere the business to generate, receive, produce improve, buy, sell, resell, acquire, use transmit, accumulate, employ, distribute, develop, handle, protect, supply and to act as agents, broker, representative, consultants, collaborators or otherwise to deal in electric power and steam in all branches or such place or places as may be permitted by appropriate authorities by establishment of Fuel Oil, Naptha or gas thermal power plants. Hydro power plants, atomic power plants, wind power plants, solar power plants and other power plants based on any sources of energy as may be develop or invented in future.



2. *To acquire, deal, construct lay down establish, promote, erect, build, install, commission, carry out and run all necessary power plants, solar, electrical, bio electrical , electric sub stations, workshops, repair shops, wires, cables, transmission lines, accumulators, street lights for the purpose of conservation, distribution and supply of electricity to participating industries state electricity boards and other boards for industrial, commercial domestic public and other purposes and also to provide regular services for repairing and maintenance of all distribution and supply lines.*
3. *To carry on in India or elsewhere the business of planning, promoting, installing, generate, receive, acquire, produce, impose, buy, sell, distribute, resell, use transmit, accumulate, develop, handle, protect, supply and to act as agents, brokers, representatives, consultants, collaboration or otherwise to deal in electric power and stream in all its branches or such place or places as may be permitted by appropriate authorities by establish of power by hydro, wind, solar, thermal, atomic, bio-mass, coal, lignite, gas, ocean energy, power can be provided, transmitted distributed, sell and supply for the company/or consumption by others or itself.”*

Change in Memorandum of Association

The Company has on the following occasions altered/ amended its Memorandum and Articles of Association:

S. No.	Amendment in Memorandum and Articles of Association	Subject Matter of Resolution	Date of EGM /AGM Resolution
1.	MOA	Alteration in Clause I of Memorandum of Association by Changing of Name of the Company from “POM SEF Hydro Energy Limited” to “POM Hydro Energy Limited”	June 19, 2015
2.	MOA	Authorised Share Capital has been increased from ₹ 5 lacs to 8.05 Cr.	March 17, 2016
3.	AOA	Adoption of new set of articles as per the provision of the Companies Act, 2013.	September 16, 2017
4.	MOA	Authorised Share Capital has been increased from ₹.8.05 Cr to Rs 12.5 Cr	September 16, 2017

Adopting New Articles of Association of the Company

Company has adopted a new set of Articles of Association of the Company, in the Annual General Meeting of the Company dated September 16, 2017

Injunctions or Restraining Orders

Our Company is not operating under any and there are no injunctions or restraining orders.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets etc.

There are no mergers, amalgamation, etc. with respect to our Company. Or company has acquired hydro power business of Puri Oils Mills Ltd, our promoter company, in terms of business transfer agreement dated February 29, 2016 w.e.f. April 01, 2016

Revaluation of Assets

Our company has not revalued its assets since incorporation.



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, none of our loans have been converted into equity.

Number of Shareholders of our Company:

Our Company has Seven (7) shareholders as on the date of filing of this Draft Prospectus. For further details of our shareholding pattern, please refer to the chapter “Capital Structure - Build-up of Promoter’s Shareholding, Promoter’s contribution and Lock-in” on page 62”.

Technology, Market Competence and other details regarding our Company

For details of our Company’s business, products and services, its growth, standing with reference to the prominent competitors, management, technologies and services, please refer to the chapters “Business Overview” and “Industry Overview” on pages 96 and 82.

Capital raising through equity and debt

Except as mentioned in the chapter “*Capital Structure*” beginning on page 62, our Company has not raised any capital by way of equity or convertible debentures.

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

There has been no change in the business activities of our Company during the last four years from the date of this Draft Prospectus which may have had a material effect on the profit/loss account of our Company except acquisition of Hydro Power business from our promoter. For details of financials of Hydro business, refer to Chapter on “Financial Information” beginning at page no 145.

Shareholders Agreement

There are no subsisting shareholders agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

OTHER AGREEMENTS:

I. MUSSAPUR PROJECT:

- a) Memorandum of Understanding (MOU) executed among Haryana Renewable Energy Development Agency (HREDA), Irrigation Department, Government of Haryana and our Promoter Company dated November 27, 2006.
- b) Power Purchase Agreement (PPA) executed between our Promoter Company and Haryana Power Purchase Centre dated August 13, 2010.
- c) Loan agreement between our Promoter Company and the State Bank of India dated August 12, 2008 which was subsequently sanctioned vide Sanction Letter dated June 22, 2017 in favor of the Company.

II. KHUKHANI PROJECT:

- a) Memorandum of Understanding (MOU) among Haryana Renewable Energy Development Agency (HREDA), Irrigation Department Government of Haryana and our Promoter Company dated November 27, 2006.
- b) Power Purchase Agreement (PPA) executed between our Promoter Company and Haryana Power Purchase Centre, dated August 13, 2010.
- c) Loan agreement between our Promoter Company and the State Bank of India dated August 12, 2008 which was subsequently sanctioned vide Sanction Letter dated June 22, 2017 in favor of the Company.



III. CHAKSHI PROJECT:

- a) Memorandum of Understanding (MOU) between Government of Himachal Pradesh and our Promoter Company, dated May 15, 2001.
- b) Implementation Agreement (IA) between the Government of Himachal Pradesh and our Promoter Company dated September 12, 2006.
- c) Power Purchase Agreement (PPA) between Himachal Pradesh State Electricity Board and our Promoter Company, dated August 30, 2007.
- d) Supplementary Power Purchase Agreement (SPPA) between our Promoter Company and Himachal Pradesh State Electricity Board Ltd., dated November 28, 2011.
- e) Supplementary Implementation Agreement (SIA) between our Promoter Government of Himachal Pradesh and the Company dated April 25, 2013.
- f) Agreement HPSEB for shifting of Interconnection Point from Barshaini to switch yard dated February 06, 2013.
- g) Supplementary Power Purchase Agreement (SPPA) between our Promoter Company and Himachal Pradesh State Electricity Board Limited, dated February 5, 2015.
- h) Loan Agreement between the Company and the State Bank of India dated August 12, 2008, which was subsequently renewed *vide* sanction letter dated June 22, 2017 in favour of the Company.

IV. KILHI BAHL PROJECT:

- a) Pre-Implementation Agreement (PIA) between Government of Himachal Pradesh and our Promoter Company, dated June 2, 2011.
- b) Tripartite Agreement among our Company, Promoter Company and Govt. of Himachal Pradesh dated December 29, 2017 for transfer of the project from Promoter Company to our Company.

V. KHAJURI PROJECT:

- a) Memorandum of Understanding (MOU) among Haryana Renewable Energy Development Agency (HREDA), Irrigation Dept. Govt. of Haryana and our Promoter Company, dated April 11, 2011.
- b) Letter dated March 21, 2013, addressing the Director General, Renewable Energy Department, Haryana & HAREDA submitting the revised Detailed Project Report ('DPR') of small hydro project at Kahjuri.

VI. MAINMATTI PROJECT:

- a) Memorandum of Understanding (MOU) among Haryana Renewable Energy Development Agency, (HREDA), Irrigation Dept. Govt. of Haryana and our Promoter Company, dated January 25, 2011.
- b) Letter dated September 23, 2013, bearing reference no. POM/HAREDA/13-14/745 addressing the Director General, Renewable Energy Department, Haryana & HAREDA submitting the revised Detailed Project Report ('DPR') of small hydro project at Mainmatti.

VII. UHL PROJECT:

- a) Memorandum of Understanding (MOU) between Government of Himachal Pradesh and our Promoter Company, dated May 15, 2001.
- b) Implementation Agreement (IA) between Department of Multipurpose projects and power, Government of Himachal Pradesh and our Promoter Company, dated May 22, 2010.
- c) Supplementary Implementation Agreement between Governor of Himachal Pradesh through Directorate of Energy, Government of Himachal Pradesh and our Promoter Company, dated July 9, 2013.
- d) Tripartite Agreement among our Company, Promoter Company and Govt. of Himachal Pradesh dated December 29, 2017 for transfer of the project from Promoter Company to our Company.



VIII. Canal Top Solar Project

- a) Memorandum of Understanding (MOU) between Government of Haryana and our Promoter Company, dated March 02, 2016 for setting up 10 MW project at Musappur and Khukhnai site.

Non Compete Agreement

Our Company has not entered into any Non-compete Agreement as on the date of filing this Prospectus.

Joint Venture

Except the agreements entered in the ordinary course of the business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

Strategic Partners

Our Company does not have any strategic partners as on the date of filing this Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of filing this Prospectus.

Details of Subsidiaries

Our Company does not have any subsidiaries

Details of Holding Company

As on the date of the Prospectus, we are a subsidiary of Puri Oils Mills Limited. For details of our holding company, please refer to page 138.

Lock-out or strikes

There have been no lock-outs or strikes in our Company since Incorporation.



OUR MANAGEMENT

Board of Directors

The Company is managed by the Board of Directors (hereinafter referred to as “BOD” or the “Board”) comprising of five (5) directors. The details of the Board of Directors of the Company are as under:

Sr. No.	Name, Father’s Name, Age, Designation, Address, Experience, Qualifications, Occupation, Term & DIN	Nationality	Date of Appointment	Other Directorships/Partnerships /Proprietorships
1.	<p>Name: Mr. Vivek Puri S/o. Mr. J K Puri Age: 51 years</p> <p>Designation: Chairman and Managing Director</p> <p>Address: E-7 Old Ind. Area Bahadurgarh Distt. Jhajjar-124507, Haryana</p> <p>Experience: 29 years</p> <p>Qualification: BE(Chemical Engineering) Management program from IMI, Boston, USA</p> <p>Occupation: Business</p> <p>DIN: 00666237</p>	Indian	September 5, 2013	<ul style="list-style-type: none"> • Indu Bio Products Limited • Puri Oil Mills Limited • Puri Captive Energy Private Limited • Devi Dass Gopal Kishan Jammu, • Puri Brothers, Damtal
2	<p>Name: Mr. Ramesh Chander S/o. Mr. Madan Lal Age: 66 years</p> <p>Designation: Whole Time Director</p> <p>Address: E House No. 16, Ward No. 15, Gali No. 1, New Town, Moga-142001, Punjab</p> <p>Experience: 45 years</p> <p>Qualification: Matriculation (Higher Secondary)</p> <p>Occupation: Services</p> <p>DIN: 06431761</p>	Indian	April 1,2016	<ul style="list-style-type: none"> • Puri Oil Mills Ltd.
3	<p>Name: Mr. Indu Puri W/o. Mr J K Puri</p> <p>Age: 72 years</p>	Indian	September 5, 2013	<ul style="list-style-type: none"> • Indu Bio Products Limited • Puri Oil Mills Ltd. • Devi Dass Gopal Krishan Jammu



Sr. No.	Name, Father's Name, Age, Designation, Address, Experience, Qualifications, Occupation, Term & DIN	Nationality	Date of Appointment	Other Directorships/Partnerships /Proprietorships
	<p>Designation: Director</p> <p>Address: 7/56, Gandhi Road, Moga-142001, Punjab.</p> <p>Experience: 46 years</p> <p>Qualification: M.A. in Economics</p> <p>Occupation: Business</p> <p>DIN: 00805104</p>			<ul style="list-style-type: none"> • Puri Brothers, Damtal
4	<p>Name: Mrs. Shalini Puri W/o. Mr Vivek Puri Age: 46 years</p> <p>Designation: Director</p> <p>Address: E-7 Old Ind. Area, Bahadurgarh Distt. Jhajjar-124507.</p> <p>Experience: 25 years</p> <p>Qualification: M.A. in Botany and MBA</p> <p>Occupation: Business</p> <p>DIN: 00796112</p>	Indian	September 5, 2013	<ul style="list-style-type: none"> • Indu Bio Products Limited • Puri Oil Mills Ltd. • Puri Captive Energy Private Limited
5	<p>Name: Mr. Tarun Khanna S/o. Mr. Satbir Singh Khanna Age: 46 years</p> <p>Designation: Independent Director</p> <p>Address: B-9/21, Vasant Vihar, Delhi 110057.</p> <p>Experience: 23 years</p> <p>Qualification: MBA, University of Baltimore and B.S. (Engineering), University of Maryland.</p> <p>Occupation: Financial Consultant</p> <p>DIN: 02306480</p>	Indian	April 1, 2016	<ul style="list-style-type: none"> • Puri Oil Mills Ltd. • Security and Intelligence Services (India) Limited • Barbeque- Nation Hospitality Limited • Emerald Leasing Finance and Investment Company Limited • Favorate Restaurants Private Limited • CX Advisors LLP • Mrs. Bectors Food Specialties • Sapphire Food India Private Limited
6	<p>Name: Mr. Alok Krishna Agarwal S/o. Mr. Krishna Chandra Agarwal</p>	Indian	April 1, 2016	<ul style="list-style-type: none"> • LawZ Media Pvt. Ltd • Advanced Law Collage of India Pvt. Ltd



Sr. No.	Name, Father's Name, Age, Designation, Address, Experience, Qualifications, Occupation, Term & DIN	Nationality	Date of Appointment	Other Directorships/Partnerships /Proprietorships
	<p>Age: 53 years</p> <p>Designation: Independent Director</p> <p>Address: A-56, Gulmohar Park, New Delhi 110049.</p> <p>Experience: 30 years</p> <p>Qualification: LLB</p> <p>Occupation: Professional</p> <p>DIN: 00127273</p>			<ul style="list-style-type: none"> • Milestone Global Ltd • Wearit Global Ltd • Bajaj Hindustan Sugar Limited • PNP Technologies (India) Private Limited • SPBP Tea (India) Limited • Brady Air Private Limited • Lalitpur Power Generation Co. Ltd • The Scottish Assam (India) Limited • Puri Oil Mills Ltd. • Virtual Space 3D Institute Pvt. Ltd. • Delvin Hospital Pvt. Ltd.

Brief Profile of our Directors

Mr. Vivek Puri, aged 51 years is the promoter cum Managing Director of Puri Oil Mills Ltd. and POM Hydro Energy Ltd. He completed his B.Tech (Chemical) from Punjab University, Chandigarh in 1988 and went on to do his Management program from IMI, Boston. He joined the family business in 1988 and contributed immensely in all spheres of the edible oil and agri business and took it from strength to strength. The business grew manifold in volume and turnover and today 'P' Mark is a leading brand in the mustard oil segment in the country. Today, the brand commands a premium over other brands. He successfully diversified in the small hydro power segment in the year 2006 and set up 3 small hydel projects in Haryana and Himachal Pradesh He has over 29 years of experience in business and has sound knowledge in operations, finance, business planning and implementation. He is also committed in professionalizing the organization to a level where it can tap new opportunities as and when they arise.

Mr. Ramesh Chander, aged 66 years is qualified up to matriculation (Higher Secondary) and has over 45 years of experience in labour laws and compliances. He has a total of 45 years of experience working with the POM Group.

Mrs. Indu Puri, aged 72 years is the Promoter and designated as Director of our company. She obtained a Masters degree in Economics from Punjab University Chandigarh in 1964. She joined family business in 1970 and actively participating since then. She has vast experience of business in various fields like Oil Mills, Marketing & IOC Petrol Pumps for over 46 years. She is involved in operation, executions and opening of branches in various states. She is the chairperson in the company Puri Oil Mills Ltd. and is actively engaged in day to day functioning of the business. She took interest in the construction of Mini Power Projects installed in Haryana & Himachal Pradesh. She is also committed in the quality standards of the product.

Mrs. Shalini Puri, aged 46 years is the Executive Director of the Company. She has done MSc (Botany) from Delhi University and has done MBA as well. She did an entrepreneurship program from FICCI, New Delhi and has been managing the manufacturing facilities for the last 25 years. During this period, there has been an impressive growth in production and overall supply of the Mustard Oil. After the successful diversification of the company into the infrastructure space, she has been handling the finances and has serviced the debt almost fully. She takes a keen interest in new product development and consolidating the brand to be recognized as a strong player in the Indian FMCG space

**Mr. Tarun Khanna**

Mr. Tarun Khanna, aged 46 years, graduated in engineering from University of Maryland, USA in the year 1994. Later in the year 1996, he did his MBA from University of Baltimore, USA. He is currently an Independent Director on the board of POM Hydro Energy Limited. He is an expert of Financial Matters and has a rich experience of Investment Banking and Corporate Finance to his credit. He is also working as a Partner in CX Partners, leading Private Equity fund in India. Prior to joining CX partners, in the year 2008 as an Investment Principal, Mr. Khanna was a Director in the investment and corporate banking sector at Yes Bank, a reputed private sector bank in India. Here, he was responsible for originating M&A and capital raising transactions across North and East India for four-and-a-half years. He was an integral part of the start-up team at Yes Bank and served in a variety of leadership roles. He has originated several private equity transactions and has worked with several private equity funds, including with CVCI in two transactions. Prior to this assignment, Mr. Khanna was with Citi's Corporate & Investment Banking business for four years, before which he was with GE's commercial finance business for 18 months.

Mr. Alok Krishna Agarwal

Alok Agarwal, aged 53 years is currently associated with our Company in capacity of Independent Director. He is a graduate in commerce and law. He is the founder managing partner of reputed Law firm Sheldon Law and heads its India and UK Operations, New Delhi. He is expert in legal matters with a rich experience of 30 years. His area of expertise includes energy laws, banking, arbitration, maritime laws, intellectual capital & protection issues and corporate structuring. He was admitted to the Bar Council of India in the year 1988 and is currently the member of Bar Council of Delhi, Supreme Court Bar Association, the International Bar Association, the Indo American Chamber of Commerce and Federation of Indian Chambers of Commerce and Industry.

Details of Director's Shareholding

Detail of the directors' shareholding in the Company is as under:

S. No.	Name	No. of Shares	Percentage Shareholding
1	Mr. Vivek Puri (Chairperson-cum-Managing Director)	161	0.002
2	Mrs. Indu Puri (Director)	161	0.002
3	Mrs. Shalini Puri (Director)	161	0.002
4	Mr. Ramesh Chander (Whole time director)	NIL	NIL
5	Mr. Alok Krishna Agarwal (Independent Director)	NIL	NIL
6	Mr. Tarun Khanna (Independent Director)	NIL	NIL

**Details of Key Managerial Personnel:**

The Company has represented that it is professionally managed and has its key personnel from diverse fields who specialize in their respective area of operations. The key personnel of the Company are as follows:

Sr. No	Name of the Employee	Age (in years)	Designation/ Position	Qualification	Experience	Date of Joining	Previous Employment
1.	Mr. Vivek Puri	50	Chairperson cum Managing Director	BE Chem., Management Program USA	29 Years	September 5, 2013	POML
2.	Mr. Ramesh Chander	66	Whole time Director	Matriculation (Higher Secondary)	45 Years	April 1, 2016	POML
3.	Mr. Rajesh Kumar Keshry	47	Company Secretary & Compliance Officer	ACS, LL.B, M. Com	17 Years	April 1, 2016	POML
4.	Mr. Rajiv Bansal	31	Chief Financial Officer	ACA	6 Years	April 1, 2016	POML
5.	Mr. Arvind Kaul	46	GM (Liaisoning & Clearance)	B.Sc., M.Com., PGDCA, PGDM & LW, MBA	19 years	April 1, 2016	POML
6.	Mr. Avtar Singh	64	GM (Technical)	Diploma in Engineering	42 Years	April 6, 2016	Regency Hydro Power Group
7.	Mr. Pradeep Nayyar	51	GM (HR)	MBA	22 Years	August 8, 2017	Global Business Solution
8.	Mr. Vivek Vikram	35	Sr. Manager (Finance)	CFA	14 Years	March 1, 2017	Prsaaar Consultancy Services Pvt. Ltd.

Brief profile of the Key Managerial Personnel (other than Promoters & Directors)**1. Mr. Rajiv Bansal, CFO:**

Rajiv Bansal, a commerce graduate and Chartered Accountant by qualification is the Chief Financial Officer of POM hydro Energy Limited. He has six years of experience of finance and heads accounting, auditing, taxation, banking and other finance functions of the Company. He was originally appointed in Puri Oil Mills Ltd. in 2011 and later promoted as Chief Financial Officer of the Company in FY 2016.

2. Rajesh Kumar Keshry, Company Secretary:

Rajesh Kumar Keshry is the Company Secretary in the Company and looks after all secretarial and compliance functions of POM Group. He is an associate member of Indian Institute of Company Secretaries. In addition to this his academic qualification also includes Masters in Commerce and LLB. He brings a rich experience of 17 years across the sectors Telecom, Pharmaceuticals, FMCG and Power.



3. Avtar Singh, General Manager (Projects) :

Avtar Singh, aged 67 years, is the General Manager (Projects) of our Company. He has done his Diploma in Electrical Engineering in the year 1974 from J.R. Govt. Polytechnic, Hoshiarpur, Punjab. He is an expert in field of Electro-mechanical engineering and his experience ranges from Heavy Engineering, Textiles to Hydro Power Industry. He is currently heading the Technical Division of the Company assisted by two plant heads. His responsibility includes running Company's existing hydro projects and commissioning of future projects. His area of functioning covers execution, generation, operations & maintenance, technical due diligence & troubleshooting and others. Out of his 42 years of experience includes:

- 10 years in Hydro Power Generation heading generation facilities
- 20 years with Arihant Textile Industries Limited as Chief Engineer
- 12 years with Triveni Engineering Works Limited's turbine division as Engineer erection and commissioning

He was paid a remuneration of ₹ 9.45 Lacs in the Financial Year 2016-17.

4. Pradeep Nayyar, General Manager (Human Resource) :

Pradeep Nayyar, aged 51 years, is the General Manager (Human Resource) of POM Hydro Energy Limited. He graduated in arts from Osmania University in the year 1988 and later did MBA (HRM & Corporate Management). He also holds a Diploma in Human Resource Management from Amity School of Distance Learning. He joined POM Hydro Energy Limited on August 8th, 2017 and takes care of overall HR function of the Company. With more than 22 years of experience to his credit in Human Resource Management, his area of expertise includes formulation & implementation of HR policies, recruitment & manpower planning, restructuring of organizations, corporate behavioral training, standardization of functions & interventions, trainings, social audits, 5S implementation and others. He worked with many companies like Punj/ Lloyd group, T-series and Logwell Forge Ltd in the past.

5. Vivek Vikram, Senior Manager (Finance) :

Vivek Vikram, aged 35 years, is working as Senior Manager (Finance) in the Company and has joined the Company on March 1st, 2017. He graduated in Mathematics from Aligarh Muslim University. In addition to this he holds a Diploma in Business Finance and is a CFA. He takes care of fund raising, financial structuring, strategy and financial planning, risk management functions in the Company. He has more than 14 years of experience in Corporate Finance. In past he has worked with investment banking and financial advisory organization including Choice Capital Advisors Pvt. Ltd., Portfolio Financial Services Limited, Sovereign NV Securities Pvt. Ltd., Privy Consulting Pvt. Ltd. and others. He was paid a remuneration of ₹ 0.73 Lacs in the Financial Year 2016-17.

6. Arvind Kaul

Arvind Kaul, aged 46 years, is General Manager (Liaisoning & Clearance) of our Company. He did his graduation in science and post-graduation in commerce from Himachal Pradesh University. He has also done PG Diploma in Computer Application and PG Diploma in Management and Labor Welfare from Himachal Pradesh University. In addition to this he has completed his MBA from Guru Jambheshwar University of Science and Technology, Hissar. With his total experience spanning 19 years, he has been associated with Puri Group for the last 14 years. He joined Puri Oil Mills Ltd. (the holding Company) in 2004 and currently heading liaisoning department of POM Hydro Energy Limited. His responsibilities includes getting approvals/clearances from various Government Departments/ Agencies/ Ministries, timely land acquisition, addressing local issues and compliance and coordinating and maintaining relationships with Local, State and Central Government departments. He was paid a remuneration of ₹ 10.62 Lacs in the Financial Year 2016-17.

**Changes in Key Managerial Personnel:**

Following have been the changes in the key managerial personnel since inception of the company:

S. No.	Name	Date of Joining	Date of Leaving	Reason
1.	Mr. Arvind Kaul	April 1, 2016	N.A.	Appointment as GM, Liasioning
2.	Mr. Rajesh Kumar Keshry	April 1, 2016	N.A.	Appointment as Company Secretary
3.	Mr. Rajiv Bansal	April 1, 2016	N.A.	Appointment as Chief Financial Officer
4.	Mr. Sushil Singh	April 1, 2016	N.A.	Appointment as Sr. Manager, HR
5.	Mr. Satinder Singh	April 1, 2016	August 18, 2016	Resigned as Sr. Manager, Hydro
6.	Mr. Avtar Singh	April 6, 2016	N.A.	Appointment as GM, Project
7.	Mr. S. Balasubramanian	May 2, 2016	N.A.	Appointment as Sr. Manager, Hydro
8.	Mr. S. Balasubramanian	May 2, 2016	October 24, 2016	Resigned as Sr. Manager, Hydro
9.	Mr. Vivek Vikram	March 1, 2017	N.A.	Appointed as Senior Manger (Finance)
10.	Mr. Sushil Singh	April 1, 2016	August 5, 2017	Resigned as Sr. Manger, HR
11.	Mr. Pradeep Nayyar	August 8, 2017	N.A.	Appointment as GM, HR

Status of Key Managerial Personnel:

All the key managerial personnel of the Company are on the payroll of the company but the Company has represented that Mr. Ramesh Chander, Mr. Rajiv Bansal and Mr. Rajesh Kumar Keshry are not withdrawing any remuneration from the Company. They are drawing salary from holding company i.e. Puri Oil Mills Limited.

Bonus or Profit Sharing Plan for the Key Managerial Personnel

No such payment is made or benefit has been offered to the key managerial personnel of the Company.

Changes in the constitution since incorporation

Details of changes in the constitution of the Board of Directors, since incorporation *i.e.* September 9, 2013 are as under:

S. No.	Name of Director	Date of Appointment	Date of Cessation	Reason
1.	Mr. Raj Kumar Verma	September 9, 2013	April 17, 2015	Resignation
2.	Mr. Hem Singh Thakur	September 9, 2013	April 17, 2015	Resignation
3.	Mr. Alok Krishna Agarwal	April 1, 2016	--	Appointment
4.	Mr. Tarun Khanna	April 1, 2016	--	Appointment
5.	Mr. Ramesh Chander	April 1, 2016	--	Appointment



6.	Mr. Vivek Puri	September 5, 2017	--	Reappointment
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Payment of sitting fee to Non-Executive Directors:

The sitting fees of ₹ 5000 has been paid to Mr Tarun Khanna, Independent Director, during the financial year 2016-17.

Remuneration to Executive Directors

Mr. Vivek Puri, is the Chairman and Managing Director of our Company and was re-appointed w.e.f. September 5, 2017 in the Annual General Meeting of the Company which was held on September 16, 2017. Mr. Vivek Puri's terms of appointment have been laid down under the resolution dated September 16, 2017. The significant terms of his employment are set out below:

Particulars	Remuneration
Basic Salary	₹1.20 million per annum
Commission	Nil.
Appointment as Chairman and Managing Director	September 5, 2017 (Five (5) years with effect from September 5, 2017 till September 5, 2022)
Other Allowances	<ul style="list-style-type: none"> ▪ Accommodation (furnished or otherwise) or House Rent Allowance in lieu thereof; ▪ House maintenance allowances together with reimbursement of expenses/allowances for utilization of gas, electricity, water, servant, furnishings and repairs, ▪ Medical reimbursement including hospitalization for self and family at actual irrespective of any limit; ▪ Leave travel concession for self and family including dependents; ▪ Club fees; ▪ Insurance premium for medical and hospitalization policy for self and family, ▪ Gratuity on the basis of 15 days salary for each year of completed service as per rules of the Company ▪ Contribution to superannuation fund as per rules of the company ▪ Use of car with driver, telephone and mobile phone; ▪ Actual Travelling and Entertainment Expenses. <p>The above perquisites and allowances subject to overall ceilings of remuneration stipulated in sections 196 and 197 read with Schedule V of the Act.</p>
Remuneration paid for F.Y. 2016-2017	Nil.

Disqualification of Directors:

None of the directors is disqualified for appointment as director(s), in terms of the requirements of section 164, section 203 of the New Act read with Schedule V and other applicable provisions of the New Act.

CORPORATE GOVERNANCE

Provisions relating to Corporate Governance, as contained in clause 52 of the Model Listing Agreement for listing on SME Exchange issued in terms of Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 shall apply to the Company *after* its shares are listed at the Stock Exchange(s). The Company has re-constituted its Board of Directors and its committees, namely, Audit Committee, Investors' Service Committee and Remuneration Committee in accordance with the provisions of clause 52 of the Model Listing Agreement for listing on SME Exchange.



The constitution of Board of Directors and the committees of the Board of Directors in terms of the requirements of the Old Act and clause 52 of the listing agreement is as under:

Board of Directors:

The Board of Directors of the Company comprises of the following Directors:

Sr. No.	Name	Designation/ Category
1	Mr. Vivek Puri	Chairperson & Managing Director
2	Mr. Ramesh Chander	Whole Time Director
3	Mrs. Indu Puri	Director
4	Mrs. Shalini Puri	Director
5	Mr. Alok Krishna Agarwal	Independent Director
6	Mr. Tarun Khanna	Independent Director

Committees of the Board of Directors:

The Company has re-constituted the following committees of its Board of Directors:

A. To comply with Corporate Governance requirements:

- Audit Committee
- Shareholders/Investors Grievance Committee
- Nomination and Remuneration Committee

B. For other compliances under other applicable laws:

- Internal Complaints Committee under the the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Audit Committee

According to section 177 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its powers) Rules, 2014 and as per Regulation 52 (II) of the Listing Agreement for Listing on SME Exchange issued in terms of Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Company has constituted an Audit Committee which consist of three Directors out of which majority of members are Independent Directors.

The composition of the Audit Committee is as under:

Sr. No.	Name	Designation
1.	Mr. Tarun Khanna	Chairman
2.	Mr. Vivek Puri	Member
3.	Mr. Alok Krishna Agarwal	Member

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.



The terms of the Audit Committee are to comply with the requirements of section 177 of the Companies Act 2013 and Clause 52 of the listing agreement to be entered into with the Stock Exchange(s). In terms of the resolution passed at the meeting of the Board of Directors held on July 15, 2016 the Audit Committee shall have the following role and powers:

1. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the auditors' report thereon;
4. Approval or any subsequent modification of transactions entered into by the Company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters.

The Audit Committee may call for the comments of the auditors about internal control system, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.

Further, the power of Audit Committee shall include:

1. to investigate any activity within its terms of reference;
2. to seek information from any employee;
3. to obtain outside legal or other professional advice;
4. to secure attendance of outsiders with relevant expertise, if necessary.

Shareholders/ Investors Grievance Committee

As required in terms of Clause 52(IV)(G)(iv) of the Listing Agreement for Listing on SME Exchange, the Company has constituted the Shareholders/ Investors Grievance Committee to look into the shareholders and investor complaints/grievances. The composition of the Shareholders/ Investors Grievance Committee is as follows:

Sr. No.	Name	Designation
1.	Mrs. Indu Puri	Chairperson
2.	Mr. Vivek Puri	Member
3.	Mrs. Shalini Puri	Member

Nomination and Remuneration Committee

According to Section 178 of the Companies Act, 2013 read with rule 6 of Companies (Meetings of Board and Its Powers) Rules, 2014 every public company having paid up share capital of not less than rupees ten crore or more, every public companies having turnover of one hundred crore rupees, every public company having in aggregate, outstanding loans or borrowings or debentures or deposits exceeding fifty crore rupees, shall constitute a Committee of Board known as 'Nomination and Remuneration Committee' which shall consist of at least three Directors and out of which majority of total number of members shall be an Independent Directors

As required in terms of Clause 52 Annexure 1 D of the Listing Agreement for Listing on SME Exchange, the Company has constituted Nomination and Remuneration Committee. The Composition of Nomination and Remuneration Committee is as under:



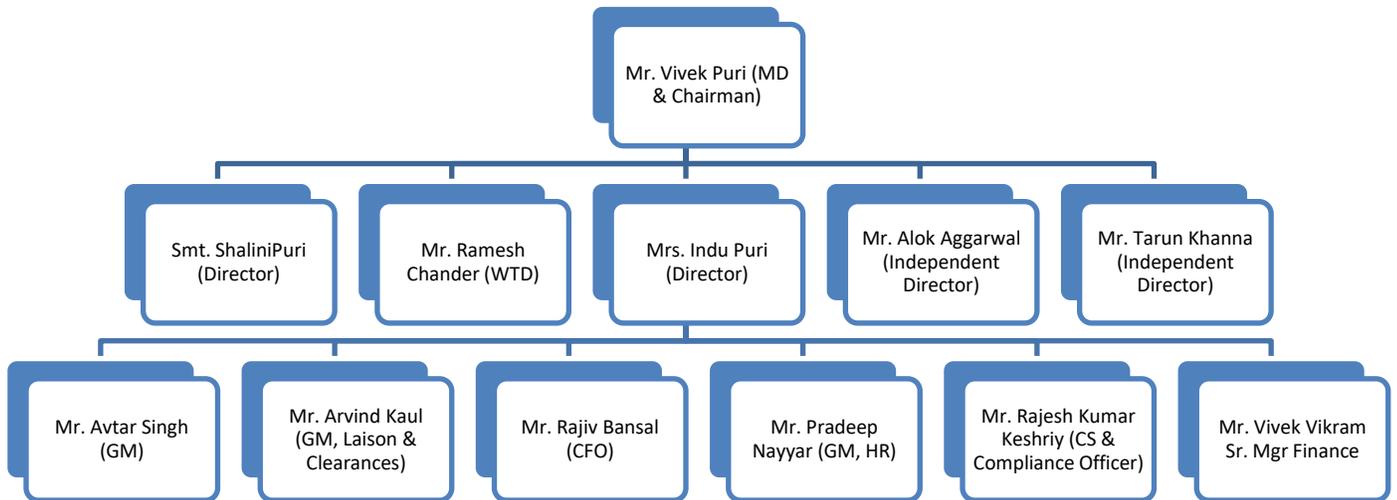
Sr. No.	Name	Designation
1.	Mr. Alok Krishna Agarwal	Chairman
2.	Mr. Tarun Khanna	Member
3.	Mrs. Shalini Puri	Member

The Company Secretary of the Company acts as the Secretary of the Committee. The terms of the Nomination and remuneration committee are to comply with the requirements of Section 178 of the Companies Act. In terms of the resolution passed at the meeting of the Board of Directors held on July 15, 2016 the Nomination and remuneration committee shall have the following role and powers:

1. Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
2. Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
3. Committee shall, while formulating the policy ensure:
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals
4. Any member of the committee may be removed or replaced at any time by the order of the Board. And any member of the committee ceasing to be the director shall be ceased to be a member of Nomination and remuneration committee.
5. The members of the Committee shall elect a Chairperson amongst themselves for meeting of the committee.
6. The Quorum of the committee shall be one-third of its total strength (any fraction shall be rounded off as one), or two members, whichever is higher.
7. The members of the committee shall meet such number of times as may be necessary for the furtherance of objects of Nomination and remuneration committee.
8. The committee is authorized to do all such acts, deeds and things which may be necessary for giving effect to this resolution.



Management Organisation Structure:





OUR PROMOTERS AND PROMOTER GROUP

The following are the Promoters of our Company:

	<p>Mr. Vivek Puri, Chairman and Managing Director</p> <p>Mr. Vivek Puri, aged 51 years is the promoter cum Managing Director of Puri Oil Mills Ltd. and POM Hydro Energy Ltd. He completed his B.Tech (Chemical) from Punjab University, Chandigarh in 1988 and went on to do his Management program from IMI, Boston, USA. He joined the family business in 1988 and contributed immensely in all spheres of the edible oil and agri business and took it from strength to strength. The business grew manifold in volume and turnover and today 'P' Mark is a leading brand in the mustard oil segment in the country. Today, the brand commands a premium over other brands. He successfully diversified in the small hydro power segment in the year 2006 and set up 3 small hydel projects in Haryana and Himachal Pradesh He has over 29 years of experience in business and has sound knowledge in operations, finance, business planning and implementation. He is also committed in professionalizing the organization to a level where it can tap new opportunities as and when they arise.</p> <p>Passport No.: J5842559 Aadhaar No.: 639728412553 Voter Id No.: UKS1576982 DIN: 00666237 Address: E-7 Old Ind. Area Bahadurgarh, Distt. Jhajjar-124507, Haryana.</p>
	<p>Mrs. Indu Puri, Director</p> <p>Mrs. Indu Puri, aged 72 years is the Promoter and designated as Director of our company. She obtained a Masters degree in Economics from Punjab University Chandigarh in 1964. She joined family business in 1970 and actively participating since then. She has vast experience of business in various fields like Oil Mills, Marketing & IOC Petrol Pumps for over 46 years. She is involved in operation, executions and opening of branches in various states. She is the chairperson in the company Puri Oil Mills Ltd. and is actively engaged in day to day functioning of the business. She took interest in the construction of Mini Power Projects installed in Haryana & Himachal Pradesh. She is also committed in the quality standards of the product.</p> <p>Passport No.: J0835129 Aadhaar No.: 856747373915 Voter Id No.: PB/12/099/153002 DIN: 00805104 Address: 7/56, Gandhi Road, Moga-142001, Punjab.</p>
	<p>Mrs. Shalini Puri, Director</p> <p>Mrs. Shalini Puri is 46 years old and is the Executive Director of the Company. She is an MBA from Newport University and MSc (Botany) from Delhi University and did an entrepreneurship development program from FICCI, New Delhi and has been managing the manufacturing facilities for the last 25 years and during this period, there has been an impressive growth in production and overall supply of the product. After the successful diversification of the company into the infrastructure space, she has been handling the finances and has serviced the debt almost fully. She takes a keen interest in new product development and consolidating the brand to be recognized as a strong player in the Indian FMCG space</p> <p>Passport No.: K1810150 Aadhaar No.: 782667970156 Voter Id No.: UKS1577006 DIN: 00796112 Address: E-7 Old Ind. Area Bahadurgarh, Distt. Jhajjar-124507, Haryana.</p>



OUR CORPORATE PROMOTER: PURI OIL MILLS LIMITED

Puri Oil Mills Limited is a flagship company of north India based 'Puri Group of Industries', with a group turnover over Rs 300 crores. While the group was set up in the year 1933 but the Company was incorporated on May 29th 1995 with Registrar of Companies Delhi & Haryana and has corporate identification number U74899DL1995PLC069120. Puri Oil Mills Limited is one of the largest manufacturing and marketing company of high grade and quality branded mustard oil in India in premium segment. It has six manufacturing facilities, which include three for mustard oil and three for cattle feed at Bahadurgarh (Haryana), Moga (Punjab) and Dantal (Himachal Pradesh) and has employed almost 400 people across the group. The Company markets its products in the Brand Name "P Mark". In the year 2001 the Company has diversified in hydro business and set up three power projects with capacity of 4.8 MW. Later in the year FY2016-17 Puri Oil Mills Limited transferred its hydro business to POM Hydro Energy Ltd.

Composition of Board of Directors of Puri Oil Mills Limited

The directors on the board of Puri Oil Mills Limited are

- Mr. Vivek Puri
- Mrs. Indu Puri
- Mrs. Shalini Puri
- Mr. S.P. Behl
- Mr. Alok Agarwal
- Mr. Tarun Khanna
- Mr. Ramesh Chander.

Shareholding Pattern as on 18/01/2018

Sr. No.	Name of Shareholder	No. of Equity Shares	Percentage of Total equity holding
1	Mr. Vivek Puri	4666048	49.63%
2	Mrs. Shalini Puri	343450	3.65%
3	Mrs. Indu Puri	4389316	46.69%
4	Mrs. Sashi Nanda	10	0.00%
5	Mr. J.K.Puri HUF	1000	0.01%
6	Dr. VC Nanda	10	0.00%
7	M/s Puri Captive Energy P Ltd.	1010	0.01%
Total		9400844	100.00%

Financial Information

(₹ In Lakhs)

Particulars	FY 2017	FY 2016	FY 2015
Authorised Capital	1,350	1,350	1,350
Paid-up Equity Capital	940	940	940
Reserve & Surplus	6,214	6,818.80	6,402.27
Sales/Income	27,351	25,661.46	22,191.60
Profit/(Loss) after tax.	874	529.68	590.81
EPS	9.30	5.63	6.28
Net Asset Value per Equity Share	76	82.53	78.10

Other disclosures

Puri Oil Mills Limited has not made any public issue in the past.



Confirmations from the corporate Promoter

We confirm that the Permanent Account Number, Bank Account Numbers, the Company Registration Number and the address of the Registrar of Companies where Puri Oil Mills Limited is registered, shall be submitted to the Stock Exchange at the time of filing of Prospectus with them. Further, neither the Puri Oil Mills Limited, nor the directors on the board of the corporate Promoter have been declared as willful defaulters by the Reserve Bank of India, or any other Government authority. We confirm that there are no violations of securities laws committed by the Promoter in past nor are there any proceedings pending against any of the Promoters in this regard.

We confirm that the permanent account number, bank account details and passport number of our Promoters was submitted to the Stock Exchange, at the time of filing the Draft Prospectus with them.

Interest of Promoters

Our Promoters who are also the Directors of our Company and our Subsidiary may be deemed to be interested to the extent of fees, if any payable to them for attending meetings of the Board or a committee thereof as well as to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of the Articles of our Company and relevant provisions of Companies Act. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company.

Our promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 2 (two) years before filing of this Draft Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery except as disclosed. Our Promoters are interested in our Company to the extent of their respective shareholding. For details on the shareholding of our Promoters in our Company, please see the section titled “*Capital Structure*” on page 62.

For further information, please refer to the details under the heading “*Our Management – Interest of Directors*” on page 125 of this Draft Prospectus.

Common Pursuits

Our Promoters have not promoted any Promoter Group / Group Company which are engaged in the line of business similar to our Company as on the date of this Draft Prospectus except Puri Captive Energy Pvt. Ltd..

Companies with which our Promoters have disassociated in the last three years

None of our Promoters have disassociated themselves from any companies, firms or other entities during the last three years preceding the date of the Draft Prospectus except as disclosed.

Litigation

For details regarding litigation involving Promoters, see the section titled “*Outstanding Litigation and Material Developments*”, beginning on page 189.

Change in Management and control of our Company

There has been only one change in management of our Company since inception. Mr. R. K. Verma and Mr. Hemchand Thakur resigned and Mr. Tarun Khanna and Mr. Alok Krishna Agarwal and Mr. Ramesh Chander joined the company on April 17, 2015.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus see section titled “*Capital Structure*” on page 62.



Other Confirmations:

None of our Promoters are Wilful Defaulters and there are no violations of securities laws committed by our Promoters in past or pending against them. Our Promoters are not prohibited from accessing the capital markets and no order or direction has been passed by SEBI or any other regulatory/statutory authority.

None of the Promoters, Promoter Group entities or Group Company have 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.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of the Issue against our Promoters, except as disclosed under the chapter titled "Outstanding Litigation and Material Developments" beginning on page 189 of this Draft Prospectus.



OUR GROUP COMPANIES

As per the requirements of SEBI ICDR Regulations, for the purpose of identification of ‘Group Companies’, our Company has considered those companies as Group Companies, which are included in the list of related parties of the Company, under Accounting Standard 18 or other companies as considered material by our Board. Pursuant to a resolution of our Board dated August 3, 2016, for the purpose of disclosure in offer documents for the Issue, a company shall be considered material and disclosed as a ‘Group Company’ if such company forms part of the Promoter Group of the Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations, companies in which, the investment in the form of equity or loan by the Company exceeds 10% of the consolidated net worth of the Company for the last audited financial year and where the Company has entered into one or more transactions with such company in the last audited financial year, cumulatively exceeding 10% of the total consolidated revenue of the Company for the last audited financial year.

Based on the above, following are our Group Companies:

1. Indu Bio Products Limited

Audited Financial Information

(₹ In Lacs)

Particulars	FY 2016	FY 2015	FY 2014
Authorised Capital	25.00	25.00	25.00
Paid-up Equity Capital	15.91	15.91	15.91
Reserve & Surplus	(13.86)	(14.06)	(14.26)
Sales/Income	0.87	1.58	1.73
Profit/(Loss) after tax.	0.77	0.20	1.51
EPS	0.13	0.12	0.95
Net Asset Value per Equity Share	1.29	1.16	1.04

Shareholding Pattern as on 18/01/2018

Sr. No.	Name of Shareholder	No. of Equity Shares	Percentage of Total Equity holding
1	Mr. Vivek Puri	65,745	41.32%
2	Mrs. Shalini Puri	5,750	3.61%
3	Mrs. Indu Puri	61,500	38.65%
4	Mrs. Sashi nanda	5	0.00%
5	Mr. J.K.Puri HUF	50	0.03%
6	M/s Puri Oil Mills Ltd.	26,000	16.34%
7	M/s Puri Captive Energy Pvt. Ltd.	50	0.03%
Total		1,59,100	100.00%

2. Puri Captive Energy Private Limited

Audited Financial Information

(₹ In Lacs)

Particulars	FY 2016	FY 2015	FY 2014
Authorised Capital	1.00	1.00	1.00
Paid-up Equity Capital	1.00	1.00	1.00
Reserve & Surplus	(0.19)	(0.21)	(0.15)
Sales/Income	0.02	0.01	0.01
Profit/ (Loss) after tax.	0.02	(0.06)	(0.03)
EPS	0.00	-	-
Net Asset Value per Equity Share	8.08	7.88	8.52

Shareholding Pattern as on 18/01/2018

Sr. No.	Name of Shareholder	No. of Equity Shares	Percentage of Total Equity holding
1	Mr. Vivek Puri	5,000	50%
2	Mrs. Shalini Puri	5,000	50%
Total		10,000	100.00%



Companies with negative net worth

Our Group Companies do not have negative net worth as per the last audited financial statements mentioned herein.

Nature and Extent of Interest of Group Companies

In the properties acquired or proposed to be acquired by our Company in the past 2 (two) years before filing the Draft Prospectus with Stock Exchange

Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 (two) years preceding the filing the Draft Prospectus with the Stock Exchange except as disclosed in the Financial Statements for the year 2016-17.

Common Pursuits amongst the Group Companies with our Company

As on the date of filing of this Draft Prospectus, our Group Companies are not carrying any business competing with that of our Company.

Sale/Purchase between the Group Companies and Subsidiary exceeding in value in aggregate of 10% of total sales or purchases of our Company

For details of related party transactions please see "Financial Statements" on pages 150 of this Draft Prospectus.

Payment of Amount or Benefits to our Group Companies during the Last Two Years

Except as mentioned in the sections "Financial Statements" and chapter titled "Objects of the Issue" on pages 150 and 72 respectively of this Draft Prospectus, no amount or benefits were paid or were intended to be paid to our Group Companies during the last 2 (two) years from the date of filing of this Draft Prospectus.

Business Interest of Group Companies

For details of "Interest of Group Companies" please see "Financial Statements" on page 150 of this Draft Prospectus.

Other disclosures:

Our Group Companies have not remained defunct and no application has been made to the Registrar of Companies for striking off the name of our Group Companies during the 5 (five) years preceding the date of filing of the Draft Prospectus with the Stock Exchange.

Our Group Companies are not under any winding up proceedings.

No part of the net proceeds are payable to our Group Companies except as disclosed in the Financial Statements for the year 2016-17.

Our Group Companies are not listed on any of the Stock Exchanges and have not made any public/rights issue in last 5 (five) years. Further, no action has been taken against our Group Companies by any Stock Exchange or SEBI.

Our Group Companies are not sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and are not under the Board for Industrial and Financial Reconstruction.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against our Group Companies.



Our Group Companies have not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Our Group Companies have not been identified as a willful defaulter by the RBI or other authorities.

**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, 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.

The dividends declared by our Company on the Equity Shares during the last four Financial Years are detailed in the following table:

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014
Face value per Equity Share	₹ 10/-	₹10/-	₹10/-	₹10/-
Dividend paid per Equity Share	₹ 1/-	-	-	-
Dividend paid*	₹ 80.50 lacs	-	-	-

**Excluding dividend distribution tax*

Dividends are 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 V - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Particulars	Page No.
1	Restated Financial Statements of POM Hydro Energy Limited	146 to 171
2	Restated Financial Statements of Puri Oil Mills Limited (See Note Below)	172 to 178

Note :

The financial information of Puri Oil Mills Ltd, our promoter and holding company have been included in this section. As mentioned elsewhere in the offer document, the hydro power business was conducted in Puri Oil Mills Ltd. since 2006. Though our company was incorporated in September 2013, the hydro business was transferred into our company from our holding company by virtue of business transfer agreement effective from April 01, 2016. The summary of restated financial information of our holding company is been included with a bifurcation of oil and hydro business for better understanding of asset and liabilities, profit and loss and cash flow of the pertaining to the hydro business. The said summary is an extract of financial information duly certified by statutory auditors of our holding company.



RESTATED FINANCIAL STATEMENTS OF POM HYDRO ENERGY LIMITED

The Board of Directors
POM Hydro Energy Limited
131/6, Samkhetar Bazar,
Mandi-175001

Dear Sir(s),

We have examined the restated financial information of POM Hydro Energy Limited (the 'Company') for the half year ended on September 30, 2017 and years ended on March 31 2017, 2016, 2015 and 2014 annexed to this report for the purpose of inclusion in the Issue document. This financial information has been prepared by the management and approved by the Board of Directors of the Company for the purpose of disclosure in the Offer Document being issued by the Company in connection with the proposed Initial Public Offering ('IPO') of equity shares.

The Company is incorporated on 05/09/2013 and is engaged in the business of 'Hydro energy'. The Company is a wholly owned subsidiary of Puri Oil Mills Limited who is in the business of 'Oil' and 'Hydro energy'. The business of Hydro energy conducted in Puri Oil Mills Limited has been transferred w.e.f April 01, 2016 to the Company by way of Business Transfer Agreement dated 28/02/2016.

This financial information has been prepared in accordance with the requirements of:

- i) Part I of Chapter III to the Companies Act, 2013 (the 'Act');
- ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the 'Regulations') and the related amendments issued by the Securities and Exchange Board of India ('SEBI') as amended to date.

This financial information has been compiled by the management from the audited financial statements of the Company for the half yearly ended September 30, 2017 and years ended on March 31 2017, 2016, 2015 and 2014.

We have examined such financial information in accordance with the requirements of:

- i) The (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India ('ICAI'); and
- ii) The terms of reference received from the company vide letter dated 05/12/2017 requesting us to carry out work of such financial information proposed to be included in the offer document of the Company in connection with its proposed IPO.

A. *Financial information as per the Restated Summary Statements of the Company:*

1. We have examined the attached Summary Statement of Assets and Liabilities, As Restated (refer Annexure I) of the Company as at September 30, 2017, March 31 2017, 2016, 2015 and 2014, the attached Summary Statement of Profits and Losses, As Restated (refer Annexure II) of the Company for the half year ended September 30, 2017 and years ended March 31 2017, 2016, 2015 and 2014 and also the Statement of Cash flows, As Restated (refer Annexure III) for the half year ended September 30, 2017 and years ended March 31 2017, 2016, 2015 and 2014 collectively referred to as 'Restated Summary Statements of the Company'. These Restated Summary Statements of the Company have been arrived at after making such adjustments and regroupings to the audited financial statements of the Company which are appropriate and are more fully described in the Statement of Notes to Restated Summary Statements of the Company in Annexure IV.
2. The Restated Summary Statements of the Company for the years half year ended September 30, 2017 and ended March 31 2017, 2016, 2015 and 2014 including the adjustments and regroupings discussed above, have been extracted from the audited financial statements of the Company for the half year ended September 30,



2017 and years ended March 31 2017, 2016 which have been audited by M/s Amit Ray & Co., Chartered Accountants and for the years ended March 31 2015, 2014 which have been audited by M/s Vatta & Associates, Chartered Accountants accordingly reliance has been placed on the financial information examined by him for the said years. The financial report included for these years is based solely on the reports submitted by him. We make no representation / opinion regarding those audited financial statements. The Restated Summary Statements of the Company for the half year ended September 30, 2017 and years ended March 31 2017, 2016, 2015 and 2014 are based on the audited financial statements of the Company.

3. Based on the above and also as per the reliance placed by us on the Audited Financial Statements of the Company which were audited by M/s by M/s Amit Ray & Co., Chartered Accountant, as referred in Para 2 above, we state that:
 - a) The Restated Summary Statements of the Company have to be read in conjunction with the Statement of Notes to Restated Summary Statements of the Company in Annexure IV;
 - b) The Restated Summary Statements of the Company have been restated with retrospective effect to reflect the accounting policies being adopted by the Company as at September 30, 2017, as stated in the Statement of Notes to Restated Summary Statements of the Company in Annexure IV;
 - c) The Restated profits have been arrived at after making such material adjustments and regroupings as, in our opinion, are appropriate in the period/year to which they relate as described in the Statement of Notes to Restated Summary Statements of the Company in Annexure IV;
 - d)
 - (i) The Restated Summary Statements of the company for the half year ended September 30, 2017 and years ended March 31 2017, 2016, 2015 and 2014 have been restated after necessary adjustments on account of audit qualifications in the Auditor's report as stated Notes to Restated Summary Statements of the company in Annexure IV.
 - (ii) As discussed in Notes to Restated Summary Statements, other audit qualifications in the Auditor's Report and in the Annexure to the Auditors' Report as per Companies (Auditor's Report) Order, 2003 (as amended) for the half year ended September 30, 2017 and financial years ended March 31 2017, 2016, 2015 and 2014 which do not require any corrective adjustment in the financial information pertained to :
 - Auditor's Report for the half year ended September 30, 2017 and years ended March 31 2017, 2016, 2015 and 2014 regarding balances of Sundry debtors, Loans and Advances and Sundry Creditors being subject to confirmation and reconciliation.
 - e) There are no extra-ordinary items which need to be disclosed separately in the Restated Summary Statements of the Company.
4. We have not audited any financial statement of the company as of any date or for any period subsequent to 31/09/2017. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the company as of any date or for any period subsequent to 31/09/2017.

B. Other financial information:

5. We have examined the following 'Other financial information' as prepared by the management and approved by the Board of Directors and annexed to this report in respect of the half year ended September 30, 2017 and years ended March 31 2017, 2016, 2015 and 2014 of the Company, proposed to be included in the offer document. In respect of the half year ended September 30, 2017 and financial years ended March 31 2017, 2016 this information has been included based on the Audited Financial Statements of the Company which were audited by M/s Amit Ray & Co., Chartered Accountant and for the year ended March 31, 2015, 2014 by M/s Vatta & Associates, Chartered Accountant and whose Auditor's Reports have been relied upon by us for the said years:



- (i) Statement of Notes to Restated Summary Statements of the Company (Annexure IV);
- (ii) Statement of Long Term Borrowings, As Restated (Annexure V);
- (iii) Statement of Long Term Provisions, As Restated (Annexure VI);
- (iv) Statement of Short Term Provisions, As Restated (Annexure VII);
- (v) Statement of Short Term Borrowings, As Restated (Annexure VIII);
- (vi) Statement of Trade Payables, As Restated (Annexure IX);
- (vii) Statement of Other Current Liabilities, As Restated (Annexure X);
- (viii) Statement of Share Capital, As Restated (Annexure XI);
- (ix) Statement of Reserves and Surplus, As Restated (Annexure XII);
- (x) Statement of Deferred Tax Liabilities (Net), As Restated (Annexure XIII);
- (xi) Statement of Long Term Loans and Advances, As Restated (Annexure XIV);
- (xii) Statement of Short Term Loans and Advances, As Restated (Annexure XV);
- (xiii) Statement of Other Non-Current Assets, As Restated (Annexure XVI);
- (xiv) Statement of Trade Receivables, As Restated (Annexure XVII);
- (xv) Statement of Cash and Bank Balances, As Restated (Annexure XVIII);
- (xvi) Statement of Other Current Assets, As Restated (Annexure XIX);
- (xvii) Statement of Revenue from operations, As Restated (Annexure XX);
- (xviii) Statement of Other Income, As Restated (Annexure XXI)
- (xix) Statement of Employee Benefit Expense, As Restated (Annexure XXII)
- (xx) Statement of Finance Cost, As Restated (Annexure XXIII);
- (xxi) Statement of Other Expenses, As Restated (Annexure XXIV);
- (xxii) Capitalisation Statement, As Restated (Annexure XXV);
- (xxiii) Statement of Tax Shelter, As Restated (Annexure XXVI);
- (xxiv) Statement of Accounting Ratios, As Restated (Annexure XXVII)
- (xxv) Statement of Dividend paid, As Restated (Annexure XXVIII)
- (xxvi) Statement of Related Parties Transactions, As Restated (Annexure XXVIII)
- (xxvii) Statement of Contingent Liabilities and Commitments, As Restated (Annexure XXIX)



6. In our opinion, the 'Financial information as per the Restated Summary Statements of the Company' and 'Other financial information' mentioned above (read with respective Significant Accounting Policies and Statement of Notes to Restated Summary Statements in Annexure IV) and also as per reliance placed by us on the Audited Financial Statements of the Company which were audited by M/s Vatta & Associates, Chartered Accountant, as referred to in Paragraph 2 above and prepared after making the adjustments and regrouping as considered appropriate have been prepared in accordance with the Companies Act, 2013 and the relevant provisions of the SEBI Regulations. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
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 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 this report.
9. This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed IPO of the equity shares of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Amit Ray & Co.
Chartered Accountants
Firm Registration No: 000483C

Sandeep Chaudhary
Partner
Membership No. 415858
Place: New Delhi
Date: January 8, 2018



Annexure I - SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Amount in ₹lacs)

Sr. No.	Particulars	Annexure	As at Sept 30, 2017	As at 31st March			
				2017	2016	2015	2014
A.	Non current assets						
	Fixed assets						
	Tangible assets		2,458.88	2,545.26	-	-	-
	Less: Revaluation Reserve		-	-	-	-	-
	Net Block after adjustment for Revaluation Reserve		2,458.88	2,545.26	-	-	-
	Intangible Assets		17.80	30.98	-	-	-
	Goodwill		16.69	17.57	-	-	-
	Capital Work in Progress		824.84	807.08	-	-	-
	Long term loans and advances	Annexure XIV	185.83	119.83	-	-	-
	Other non-current assets	Annexure XVI	-	-	-	0.24	0.32
	Total non current assets		3504.04	3,520.73	-	0.24	0.32
B.	Current assets						
	Trade receivables	Annexure XVII	91.79	117.65	-	-	-
	Cash and bank balances	Annexure XVIII	301.57	198.96	4.70	4.95	4.99
	Short term loans and advances	Annexure XV	37.18	29.16	-	-	-
	Other current assets	Annexure XIX	106.48	66.96	-	-	-
	Total current assets		537.02	412.73	4.70	4.95	4.99
C.	Non current liabilities						
	Long term borrowings	Annexure V	339.88	546.95	-	-	-
	Deferred Tax Liabilities (Net)	Annexure XIII	27.84	15.70	-	-	-
	Long term provisions	Annexure VI	1.40	1.40	-	-	-
	Total non current liabilities		369.12	564.05	-	-	-
D.	Current liabilities						
	Short term borrowings	Annexure VIII	105.85	35.30	-	-	-
	Trade payables	Annexure IX	18.05	14.25	-	-	-
	Other current liabilities	Annexure X	356.72	408.35	0.62	0.50	0.45
	Short term provisions	Annexure VII	93.89	124.68	-	-	-
	Total current liabilities		574.51	582.58	0.62	0.50	0.45
	Net Worth(A+B-C-D)		3,097.43	2,786.82	4.08	4.69	4.86
	Represented by:						
E.	Share capital	Annexure XI	805.00	805.00	5.00	5.00	5.00
F.	Reserves and surplus	Annexure XII	2,292.43	1,981.82	(0.92)	(0.31)	(0.14)
	Less: Revaluation Reserve		-	-	-	-	-
	Reserves & Surplus (Net of revaluation reserves)		2,292.43	1,981.82	(0.92)	(0.31)	(0.14)
	Net Worth (E+F)		3,097.43	2,786.82	4.08	4.69	4.86



The above statement should be read with the Statement of Notes to Restated Summary Statements of the Company in Annexure IV

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

For Amit Ray & Co.
Chartered Accountants
Firm Registration No: 000483C

Sandeep Chaudhary
Partner
Membership No. 415858
Place: New Delhi
Date: January 8, 2018

For and on behalf of the Board

Vivek Puri
Managing Director

Shalini Puri
Director

Rajiv Bansal
Chief Financial Officer

Rajesh Kumar Keshry
Company Secretary



Annexure II - SUMMARY STATEMENT OF PROFITS AND LOSSES, AS RESTATED

(Amount in ₹lacs)

Particulars	Annexure	As at Sept 31, 2017	For the year ended 31st March			
			2017	2016	2015	2014
Revenue						
Revenue from operations	Annexure XX	551.71	993.77	-	-	-
Other income	Annexure XXI	7.59	11.66	-	-	-
Total Revenue		559.30	1,005.43	-	-	-
Expenses						
Employee benefit expense	Annexure XXII	45.64	87.54	-	-	-
Finance cost	Annexure XXIII	46.41	132.74	0.01	0.01	0.01
Depreciation expense - Tangible Assets		103.01	217.59	-	-	-
Amortization expense - Intangible Assets		2.17	2.72	-	-	-
Preliminary Expenses Written Off		-	-	0.24	0.08	0.08
Other expenses	Annexure XXIV	39.32	69.52	0.36	0.08	0.05
Total Expenses		236.55	510.10	0.61	0.17	0.14
Profit before tax		322.75	495.33	(0.61)	(0.17)	(0.14)
Tax						
Current tax						
Minimum Alternate Tax		66.00	103.00	-	-	-
Less: MAT Credit Entitlement		66.00	103.00	-	-	-
Net Current Tax		-	-	-	-	-
Deferred tax		12.15	15.70	-	-	-
Total Tax Expenses		12.15	15.70	-	-	-
Net profit as restated		310.61	479.63	(0.61)	(0.17)	(0.14)

Note: The above statement should be read with the Statement of Notes to Restated Summary Statements of the Company in Annexure IV.

This is the Summary Statement of Profits and Losses, As Restated, referred to in our report of even date.

For Amit Ray & Co.
Chartered Accountants
Firm Registration No: 000483C

Sandeep Chaudhary
Partner
Membership No. 415858
Place: New Delhi
Date: January 8, 2018

For and on behalf of the Board
Vivek Puri
Managing Director

Shalini Puri
Director

Rajiv Bansal
Chief Financial Officer

Rajesh Kumar Keshry
Company Secretary



Annexure III - STATEMENT OF CASH FLOWS, AS RESTATED

(Amount in ₹lacs)

Particulars	As at Sept 30, 2017	For the year ended 31st March			
		2017	2016	2015	2014
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net profit before tax, as restated	322.75	495.33	(0.61)	(0.17)	(0.14)
Adjustments for:					
Depreciation and amortization	105.18	220.31	-	-	-
Miscellaneous Expenditure Written Off	-	-	0.24	0.08	0.08
Finance Cost	46.39	132.73	-	-	-
Interest income	(7.59)	(9.15)	-	-	-
Dividend Income	-	-	-	-	-
Operating profit before working capital changes	466.74	839.22	(0.37)	(0.09)	(0.06)
Adjustments for Increase / Decrease in:					
Long Term Provisions	-	1.40	-	-	-
Short Term Provisions	(30.80)	124.68	-	-	-
Trade Payable	3.80	14.25	-	-	-
Other Current Liabilities	(51.62)	407.73	0.12	0.05	0.45
Long Term Loan and Advances	(66.00)	(119.83)	-	-	-
Short Term Loan and Advances	(8.02)	(29.16)	-	-	-
Other Non Current Assets	-	(17.57)	-	-	(0.40)
Trade Receivable	25.86	(117.65)	-	-	-
Other Current Assets	(39.52)	(66.96)	-	-	-
Cash generated from operations	300.43	1,036.13	(0.26)	(0.04)	(0.01)
Income taxes paid (including fringe benefit tax)	-	-	-	-	-
Net Cash from Operating activities	300.43	1,036.13	(0.26)	(0.04)	(0.01)
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchases of fixed assets including out of Grants	(4.75)	(2,796.56)	-	-	-
Net Purchase and Sale of Investments	(4.75)	(2,796.56)	-	-	-
Interest income	7.59	9.15	-	-	-
Capital Work in Progress	(17.75)	(807.08)	-	-	-
Net cash used in investing activities	(14.91)	(3,594.49)	-	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES					
Changes in Long Term Borrowings	(207.07)	546.95	-	-	-
Changes in Short Term Borrowings	70.55	35.30	-	-	-
Interest Paid	(46.39)	132.73	-	-	-
Increase in Share Capital	-	800.00	-	-	5.00
Increase in Share Premium	-	1,600.00	-	-	-



Payment of Dividend	-	80.50	-	-	-
Payment of Dividend Taxes	-	16.39	-	-	-
Net Cash from/used in financing activities	(182.91)	2,752.63	-	-	5.00
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	102.61	194.26	(0.26)	(0.04)	4.99
Opening cash and cash equivalents	198.96	4.70	4.95	4.99	-
Closing cash and cash equivalents*	301.57	198.96	4.70	4.95	4.99

Note:

The above statement should be read with the Statement of Notes to Restated Summary Statements of the Company in Annexure IV

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

For Amit Ray & Co.
Chartered Accountants
Firm Registration No: 000483C

Sandeep Chaudhary
Partner
Membership No. 415858
Place: New Delhi
Date: January 8, 2018

For and on behalf of the Board

Vivek Puri
Managing Director

Shalini Puri
Director

Rajiv Bansal
Chief Financial Officer

Rajesh Kumar Keshry
Company Secretary



Annexure IV - STATEMENT OF NOTES TO RESTATED SUMMARY STATEMENTS OF THE COMPANY

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The 'Summary Statement of Assets and Liabilities, As Restated', of the Company as at September 30, 2017 March 31, 2017, 2016, 2015 and 2014, the 'Summary Statement of Profits and Losses, As Restated', and the 'Statement of Cash Flows, As Restated', for the half year ended September 30, 2017 and years ended March 31 2017, 2016 and 2015 (collectively referred to as 'Restated Summary Statements') have been prepared specifically for the purpose of inclusion in the offer document in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

The financial statements have been prepared and presented under the historical cost convention (except for revaluation of certain fixed assets), on the accrual basis of accounting (except where not reasonably determinable) and on accounting principles of Going Concern in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards ("AS") prescribed in the Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 2013, to the extent applicable.

The Restated Summary Statements of the Company have been prepared to comply in all material respects with the requirements of Part I of Chapter III to the Companies Act, 2013 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI and as amended from time to time.

During the year ended March 31, 2014, the revised Schedule VI notified under the Companies Act, 2013, has become applicable to the Company, for preparation and presentation of its financial statements. Accordingly, the Company has presented the financial statements as at March 31, 2016 and for the year ended March 31, 2015 along with the comparatives as at March 31, 2014 following the requirement of Revised Schedule VI. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures pertaining to year ended March 31, 2013 and March 31, 2012 in accordance with the requirements of Revised Schedule VI

The Company has prepared these Restated Summary Statements along with related notes in accordance with the requirements of the Guidance Note on Revised Schedule VI and has reclassified previous year figures accordingly.

1.2 Revenue recognition

Sale of Energy is accounted for based on Tariff Rates approved by the Regulatory Authorities.

Interest on Fixed Deposits is accounted for on a time proportionate basis.

1.3 Use of estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements classification of assets & liabilities between current & noncurrent and reported amounts of income and expenses during the year. Example of such estimates include provisions for doubtful debts, employee benefits, provision for income taxes, the useful lives of depreciable fixed assets, etc.



Actual results could differ from estimates & the difference between actual results and estimates is recognised in the period in which the results are known/ materialise.

1.4 Fixed assets

Fixed assets are stated at cost less accumulated depreciation. The cost includes the expenses relating to acquisition and installation of fixed assets.

1.5 Depreciation

Depreciation on Tangible Fixed Assets has been provided to the extent of depreciable amount on Written Down Value Method over the useful lives of assets as per the lives specified in the Schedule II of the Companies Act, 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

1.6 Government Grants

Income from Government Grants is recognized when enterprise complies with all the conditions attached to it and receipt of grant is confirmed.

Grant of revenue nature is credited to Statement of Profit & loss while that related to fixed assets is netted off from the respective assets. Grants in the nature of promoter's contributions are credited to capital reserve account.

1.7 Operating lease

Lease arrangements where the risk and rewards incidental to ownership of an assets substantially vest with the lessee, are recognized as financial lease by recognizing the lease as an asset and amount payable to lessor as a liability. Lease payment is apportioned between the financial charge and outstanding principal liability.

Lease arrangements where risks and rewards incidental to ownership of an assets substantially vest with the lessor, are recognized as an operating lease. Lease rental due are recognized as expenses in Statement of Profit & Loss.

1.8 Investments

Investments are classified into current investments and long term investments.

Current investments are stated at lower of cost or fair market value.

Long-term investments are valued at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of long-term investments.

1.9 Retirement benefits

a) Short Term Employee Benefits

Short Term Employee Benefits are such as Salaries, Wages, Other Employee benefits, Contributions to Provident Fund, Employee State Insurance Fund are charged to Statement of Profit and Loss as and when incurred.

b) Gratuity

The Company provides gratuity liability on the basis of actuarial valuation made by the consulting actuary.



c) Leave Encashment

Leave encashment benefit is provided on the basis of actual liability as on termination/resignation of employees depending on the last drawn salary and un-availed leaves, subject to maximum of thirty days to the credit of each employee.

1.10 Income Tax

Provision for current tax is made on the basis of the estimated liability and after taking into consideration benefits admissible under Income Tax Act, 1961.

Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods.

Deferred tax asset against unabsorbed depreciation or carry forward losses is recognised only if there is virtual certainty of realisation of such assets. Other deferred tax asset is recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the year.

1.11 Earnings per share

Refer Annexure XXVII.

1.12 Provisions, contingent liabilities and contingent assets:

There is no contingent liability as on balance sheet date.

1.13 Inventories

There is no inventory.

1.14 Share Issue Expenses

There are no share issue expenses.

1.15 Cash Flow Statement

Refer Annexure III.



2. TABLE HIGHLIGHTING MATERIAL ADJUSTMENTS:

2.1 The summary of results of material restatements made in audited financial statements of the Company for the respective years and their impact on the profits of the Company is as under:

Figures in bracket represent increase in profits.

(Amount in ₹lacs)

Particulars	As at Sept 30, 2017	For the year ended 31 st March			
		2017	2016	2015	2014
Profit after Tax as per Audited Financial Statements	310.61	479.63	(0.61)	(0.17)	(0.14)
Adjustments due to change in accounting estimates	-	-	-	-	-
Change in rate of depreciation of Wind Turbine Generator	-	-	-	-	-
Adjustments due to change in Accounting Policy	-	-	-	-	-
Provision for Leave Encashment	-	-	-	-	-
Other Adjustments	-	-	-	-	-
Prior Period adjustments with respect to accounting of income	-	-	-	-	-
Prior Period adjustments with respect to accounting of Expenses	-	-	-	-	-
Bad Debts written off	-	-	-	-	-
Bad Debts Recovered	-	-	-	-	-
Sundry Provisions and credit balances written back	-	-	-	-	-
Liability written back-Service Tax	-	-	-	-	-
Claim for Service Tax refund	-	-	-	-	-
Contribution to Super Annuation Fund	-	-	-	-	-
Tax related Adjustments	-	-	-	-	-
Deferred tax -Expense / (income)	-	-	-	-	-
Income Tax for earlier years - Expense / (income)	-	-	-	-	-
Provision for Tax - Expense / (income)	-	-	-	-	-
Total	-	-	-	-	-
Restated Profit after Tax	310.61	479.63	(0.61)	(0.17)	(0.14)

OTHER SIGNIFICANT NOTES

3(a) Unpaid Service Tax Liability written back
Nil

3(b) Claim for Service Tax Refund
Nil

4 ASSET REVALUATION RESERVE

No revaluation of assets carried out.



5 CHANGES IN NAME OF THE COMPANY

Company was incorporated on 05/09/2013 in the name of POM SEF Hydro Energy Ltd. Subsequently name was changed to POM Hydro Energy Ltd.

6. PAYMENTS TO AUDITORS (NET OF SERVICE TAX)

(Amount in ₹lacs)

Particulars	As at Sept 30, 2017	For the year ended			
		2016-17	2015-16	2014-15	2013-14
For Audit	-	1.19	0.12	0.05	0.05
For Certification	-	-	-	-	-
For Management Services	-	-	-	-	-
Total	-	1.19	0.12	0.05	0.05

7. THE COMPANY HAS NO SUPPLIERS COVERED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006 (MSMED ACT).

8. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD (AS 15) - REVISED 2005 "EMPLOYEE BENEFITS"

A. Defined contribution plans:

The company has recognized the following amounts in the Statement of Profit & Loss for the period / year:

(Amount in ₹ lacs)

Particulars	Half year ending Sept 30, 2017	Financial Year			
		2016-17	2015-16	2014-15	2013-14
Contribution to Employees Provident Fund	2.06	3.24	-	-	-
Contribution to Employees Family Pension Fund	-	-	-	-	-

B. Defined benefit plans - Gratuity

The employees' gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active member of the plan. Actuarial assumptions are as under:-

(Amount in ₹ lacs)

Particulars	Half Year Ending Sept.30, 2017	Financial Year			
		2016-17	2015-16	2014-15	2013-14
Reconciliation of opening and closing balance of Defined Benefit Obligation					
Defined Benefits Obligation at beginning of the year	10.56	-	-	-	-



Particulars	Half Year Ending Sept.30, 2017	Financial Year			
		2016-17	2015-16	2014-15	2013-14
Current Service Cost	-	1.83	-	-	-
Past service Cost	-	-	-	-	-
Interest Cost	-	0.58	-	-	-
Benefit Paid	-	-	-	-	-
Actuarial (gain)/Loss	-	0.32	-	-	-
Defined Benefits obligation at year end	10.56	10.56	-	-	-

(Amount in ₹ lacs)

Particulars	Half Year Ending Sept.30, 2017	Financial Year			
		2016-17	2015-16	2014-15	2013-14
Current Liability	1.40	1.40	-	-	-
Non - Current Liability	9.16	9.16	-	-	-
Total	10.56	10.56	-	-	-

(Amount in ₹ lacs)

Particulars	Half Year Ending Sept.30, 2017	Financial Year			
		2016-17	2015-16	2014-15	2013-14
Discount Rate	-	6.69%	-	-	-
Future Salary Increase	-	6.00%	-	-	-
Employees Attrition Rate	-	10.00%	-	-	-
Valuation Method	-	Project Unit Credit Method	-	-	-
Total Amount Charged to P & L A/c	-	2.73	-	-	-
Total liability as at the end of Year	-	10.56	-	-	-

C. The liability for the Leave Encashment as defined in AS 15 (revised 2005) has been provided on actuarial basis. Para 132 of AS 15 (revised 2005) does not require any specific disclosure except where the expense resulting from compensated absences is of such size, nature of incidence that its disclosure is relevant under other accounting standard. In the opinion of the management, the expenses resulting from leave encashment are not significant and hence no disclosure is prepared under various paragraph of AS 15 (revised 2005).

9. The Company has entered into operating lease arrangements for office space. Lease arrangements provide for cancellation by either party or by the Company and also contain a clause for renewal of the lease agreement. Lease payments on cancellable operating lease arrangements are debited to Statement of Profit and Loss.

(Amount in ₹ lacs)

Lease payments debited to the Statement of Profit and Loss	As at Sept 30, 2017	Year Ended			
		2016-17	2015-16	2014-15	2013-14
Cancellable leases	0.29	0.62			
Lease rent for office	0.29	0.62	-	-	-



10. SEGMENT REPORTING

As the company is only engaged in hydro power generation business hence no segments identified.

For Amit Ray & Co.
Chartered Accountants
Firm Registration No: 000483C

Sandeep Chaudhary
Partner
Membership No. 415858
Place: New Delhi
Date: January 8, 2018

For and on behalf of the Board
Vivek Puri
Managing Director

Shalini Puri
Director

Rajiv Bansal
Chief Financial Officer

Rajesh Kumar Keshry
Company Secretary



Annexure V - STATEMENT OF LONG TERM BORROWINGS, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Secured					
Term Loan from SBI	339.88	546.95	-	-	-
Total	339.88	546.95	-	-	-

Annexure VI - STATEMENT OF LONG TERM PROVISIONS, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Provision for Employee Benefits					
Gratuity	1.40	1.40	-	-	-
Total	1.40	1.40	-	-	-

Annexure VII - STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Employee Benefits:					
Bonus	1.71	1.71	-	-	-
Gratuity	9.16	9.16	-	-	-
Leave Encashment	1.28	1.28	-	-	-
Others	12.27	8.57	-	-	-
Proposed Dividend	-	80.50	-	-	-
Dividend Distribution Tax	16.39	16.39	-	-	-
Provision for Income Tax (Net)	53.08	7.09	-	-	-
Total	93.89	124.68	-	-	-

Annexure VIII - STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Cash Credit from Bank	105.85	35.30	-	-	-
Total	105.85	35.30	-	-	-

Annexure IX - STATEMENT OF TRADE PAYABLE, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Due to others	18.05	14.25	-	-	-
Total	18.05	14.25	-	-	-



Annexure X - STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Current Maturities of long term debts	391.36	391.36	-	-	-
Advances from related parties	(46.73)	8.48	-	-	-
Advances from related parties	1.98	1.31	-	-	-
Staff Payable	3.02	2.95	-	-	-
Audit fee payable	1.08	1.08	-	-	-
Retention Money	1.50	0.25	-	-	-
Expenses Payable	2.83	2.33	0.62	0.50	0.45
Statutory Dues Payable	1.68	0.59	-	-	-
Total	356.72	408.35	0.62	0.50	0.45

Annexure XI - STATEMENT OF SHARE CAPITAL, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Authorized:					
12500000 Equity Shares of ₹ 10/- each	1250.00	805.00	5.00	5.00	5.00
Issued, Subscribed and Paid up:					
8050000 Equity Shares of ₹ 10/-each	805.00	805.00	5.00	5.00	5.00
Total	805.00	805.00	5.00	5.00	5.00

a) Reconciliation of the equity share capital:

(Amount in ₹ lacs)

Particulars	As at 30 th Sept, 2017		As at 31st March, 2017		As at 31st March, 2016		As at 31st March, 2015		As at 31st March, 2014	
	No of Shares	Amt	No of Shares	Amt	No of Shares	Amt	No of Shares	Amt	No of Shares	Amt
No of Equity shares outstanding at the end of the period Face Value of ₹ 10/-	80.5	805.0	80.5	805.0	0.5	5.00	0.5	5.00	0.5	5.00

b) Rights, preferences and restrictions attached to shares:

The company has one class of Equity Shares having a par value of ₹ 10/- per share. Each equity holder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to necessary approval from the shareholders.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.



c) Number of Equity shares held by each shareholder holding more than 5% shares in the company are as follows:

Particulars	As at 30 Sept., 2017		As at 31 March, 2017		As at 31 March, 2016		As at 31 March, 2015		As at 31 March, 2014	
	No. of Shares	% of shares held	No of Shares	% of shares held	No of Shares	% of shares held	No of Shares	% of shares held	No of Shares	% of shares held
M/ss Puri Oil Mills Ltd.	8049034	99.99	8049034	99.99	49694	99.99	27497	54.99	27497	54.99
M/s Sai Engineering Foundation			-	-	-	-	22498	45.00	22498	45.00
Total	8049034	99.99	8049034	99.99	49694	99.99	49995	99.99	49995	99.99

Annexure XII - STATEMENT OF RESERVES AND SURPLUS, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Share Premium					
Opening Balance	1,600.00	-	-	-	-
Addition during the year	-	1,600.00	-	-	-
Closing Balance	1,600.00	1,600.00	-	-	-
Profit & Loss Account					
Opening Balance	381.82	(0.92)	(0.31)	(0.14)	-
Add :/f from Statement of Profit & Loss	310.61	479.63	(0.61)	(0.17)	(0.14)
Less: Proposed Dividend	-	80.50	-	-	-
Less: Dividend Distribution Tax	-	16.39	-	-	-
Closing Balance	696.71	381.82	(0.92)	(0.31)	(0.14)
Total	2296.43	1,981.82	(0.92)	(0.31)	(0.14)

Annexure XIII - STATEMENT OF DEFERRED TAX LIABILITIES (NET), AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Deferred Tax Liability (A)	27.84	17.85	-	-	-
Depreciation/amortization	136.56	87.56	-	-	-
Deferred Tax Asset (B)	-	2.15	-	-	-
Provision for Gratuity	-	10.56	-	-	-
Deferred Tax Liabilities (Net) [C] (A-B)	27.84	15.70	-	-	-



Annexure XIV - STATEMENT OF LONG TERM LOANS AND ADVANCES AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Security Deposit	16.83	16.83	-	-	-
MAT Credit Entitlements	169.00	103.00	-	-	-
Total	185.83	119.83	-	-	-

Annexure XV- STATEMENT OF SHORT TERM LOANS AND ADVANCES, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Advance Receivable in Cash or Kind	29.78	23.23	-	-	-
TDS	0.11	-	-	-	-
Staff Advance	0.32	0.19	-	-	-
Prepaid Expenses	6.97	5.74	-	-	-
Total	37.18	29.16	-	-	-

Annexure XVI- STATEMENT OF OTHER NON-CURRENT ASSETS, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Miscellaneous Expenses	-	-	-	0.24	0.32
Total	-	-	-	0.24	0.32

Annexure XVII - STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Unsecured, considered good					
Debts outstanding for a period exceeding six months from the date they are due for payment date they are due for payment	-	-	-	-	-
Others	91.79	117.65	-	-	-
Dues from Directors and Relatives of Directors	-	-	-	-	-
Total	91.79	117.65	-	-	-



Annexure XVIII - STATEMENT OF CASH AND BANK BALANCES, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Cash and cash equivalents					
Cash on hand	0.0005	0.0005	0.0005	0.0005	0.0005
Balance with Bank					
Balances with banks (including deposits with less than 3 months maturity)	39.85	8.34	4.69	4.95	4.99
Other bank balances					
Fixed Deposits	261.72	190.62	-	-	-
Margin Money for Bank Guarantees	-	-	-	-	-
Earmarked balances	-	-	-	-	-
Total	301.57	198.96	4.70	4.95	4.99

Annexure XIX - STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Unbilled Revenue	96.06	62.90	-	-	-
Interest accrued but not due on FDR	10.42	4.06	-	-	-
Total	106.48	66.96	-	-	-

Annexure XX - STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	As at 31st March			
		2017	2016	2015	2014
Hydro Power	551.71	993.33	-	-	-
Used Gear oil	-	0.44	-	-	-
Total	551.71	993.77	-	-	-

Annexure XXI - STATEMENT OF OTHER INCOME, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	For the year ended 31st March				Nature : Recurring / Non Recurring	Related / Not Related to business Activity
		2017	2016	2015	2014		
Interest Income from Bank Deposits	7.59	9.15	-	-	-	Non Recurring	No
Sundry provisions and credit balances no longer required, written back	-	1.03	-	-	-	Non Recurring	No



Other non-operating income	-	1.49	-	-	-	Non Recurring	No
Total	7.59	11.66	-	-	-		

Annexure XXII - STATEMENT OF EMPLOYEE BENEFIT EXPENSE, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	For the year ended 31st March			
		2017	2016	2015	2014
Salaries, wages and bonus	41.71	76.45	-	-	-
Staff welfare expenses	1.16	1.29	-	-	-
Gratuity	-	2.73	-	-	-
ESI Expense	0.67	0.94	-	-	-
Provident Fund	2.06	3.24	-	-	-
Labour Welfare Expense	0.04	0.07	-	-	-
Provision for Leave Encashment	-	1.28	-	-	-
Provision for Bonus Expenses	-	1.54	-	-	-
Total	45.64	87.54	-	-	-

Annexure XXIII - STATEMENT OF FINANCE COST, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	For the year ended 31st March			
		2017	2016	2015	2014
Interest expenses	46.39	132.73	0.01	0.00871	0.0065
Other Borrowing Costs	0.01	0.01	-	-	-
Total	46.40	132.74	0.01	0.00871	0.0065

Annexure XXIV - STATEMENT OF OTHER EXPENSES, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	For the year ended 31st March			
		2017	2016	2015	2014
Rent Expenses	0.29	0.62	-	-	-
Repairs and maintenance -					
Buildings	-	5.03	-	-	-
Office & Other Equipment	4.40	6.25	-	-	-
Others	0.51	0.80	-	-	-
Insurance	5.21	9.49	-	-	-
Rates & Taxes	5.86	10.90	-	-	-
Auditor's Remuneration					
Statutory Audit	-	1.19	-	-	-
Administrative And General Expenses					
Printing, Stationery and Xerox	0.17	0.38			



Directors Sitting Fees	-	0.05			
Travelling Expenses	3.37	6.40	-	-	-
Communication Expenses	0.37	0.63	-	-	-
Festival & Function	0.01	1.33	-	-	-
Guest House Expense	1.50	2.01	-	-	-
Legal and Professional Fess	16.66	20.91	-	-	-
O&M Expenses to HPSEB	-	1.49	-	-	-
Miscellaneous Expenses	0.95	2.04	0.36	0.16	0.13
Total	39.31	69.52	0.36	0.16	0.13

Annexure XXV - CAPITALISATION STATEMENT, AS RESTATED

(Amount in ₹ lacs)

Particulars	Pre IPO as at	Post IPO
	September 30, 2017	
Borrowings:		
Short-term (Cash Credit + Current Maturty of Long Term Debt (Term Loan))	497.21	497.21
Long Term (Term Loan) (A)	339.88	339.88
Total Debt (B)	837.09	837.09
Shareholders funds:		
Share Capital	805.00	805.00
Reserves and Surplus (Net of Revaluation Reserve)	2296.71	2296.71
Total Shareholders Funds (C)	3101.71	3101.71
Long-term borrowings/equity ratio (A/C)	0.11	0.20
Total borrowings/equity ratio (B/C)	0.27	0.21

Annexure XXVI - STATEMENT OF TAX SHELTER, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	For the year ended 31st March			
		2017	2016	2015	2014
Profit before tax, As Restated (A)	322.75	495.33	(0.61)	(0.17)	(0.14)
Tax rate - statutory rate (B)	20.39%	20.39%	-	-	-
Tax as per actual rate on profits (C = A*B)	65.81	100.99	-	-	-
Adjustments	-	-	-	-	-
Tax impact of permanent differences					



Donation not allowable as per the provisions of the Income-tax Act,1961	-	-	-	-	-
Dividend Income Exempt	-	-	-	-	-
Capital Gain considered separately	-	-	-	-	-
Deduction under section 80-JJA of the Income-tax Act, 1961	-	-	-	-	-
Loss on sale of Assets	-	-	-	-	-
Interest on tax	0.01	0.00722	-	-	-
Total tax impact of permanent difference(D)	0.01	0.00722	-	-	-
Tax impact of timing differences					
Difference between tax depreciation and book depreciation	27.84	17.85	-	-	-
Provision for retirement benefits (Leave encashment)	-	(2.14)	-	-	-
Tax impact of restatement adjustments	-	-	-	-	-
Total tax impact of timing difference (E)	27.84	15.69	-	-	-
Net adjustments F=(D+E)	27.85	15.70	-	-	-
Adjusted tax liability (C+F)	93.66	116.69	-	-	-
Total tax as per return of income	65.99	100.99	-	-	-

Notes:

1. The aforesaid Statement of Tax Shelters has been prepared as per the Summary Statement of Profits and Losses, As Restated of the Company.
2. The above statement should be read with the Notes to the Summary Statement of Assets and Liabilities, As Restated, Summary Statement of Profits and Losses, As Restated and Summary Statement of Cash Flows, As Restated as appearing in Annexure IV.
3. The permanent / timing differences for the years ended March 31, 2017,2016,2015 and 2014 have been computed based on acknowledged copies of Income Tax Returns of the respective years.
4. The permanent/ timing differences for the period ended Sept 30, 2017 have been determined on the basis of provisional computation of the total income prepared by the company and are subject to change that may be considered at the time of filing of final return of income for the assessment year 2018-19.

Annexure XXVII - STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

Particulars	As at Sept 30, 2017	For the year ended 31st March,			
		2017	2016	2015	2014
Net Worth (Amount in ₹ lacs)	3097.43	2,786.82	4.08	4.69	4.86
Restated Profit After Tax (Amount in ₹ lacs)	310.61	479.63	(0.61)	(0.17)	(0.14)



Total number of shares outstanding at the end of the period / year after considering Sub-division * (Nos.)	80.50	80.50	0.50	0.50	0.5
Number of shares outstanding during the period / year after considering Sub-division and Bonus issue* (Nos.)	80.50	80.50	0.50	0.50	0.5
Earnings Per Share ₹ 10/- each					
Basic & Diluted Earning Per Share after considering Sub-division and Bonus issue* (₹)	3.86	5.96	(1.22)	(0.34)	(0.27)
Return On net Worth (%)	10.03	17.21	(14.95)	(3.62)	(2.88)
Net Assets Value Per Share of ₹ 10/- each after considering Sub-division and Bonus issue* (₹)	38.48	34.62	8.16	9.38	9.72
Face Value after considering Sub-division* (₹)	10.00	10.00	10.00	10.00	10.00

Notes:

- * As per the requirements of Para 44 of Accounting Standard - AS 20 "Earnings Per Share", number of shares have been derived considering 80,50,000 equity shares on 30/09/2017 of ₹ 10/-.
- The ratios have been computed as below:**

$$\text{Earnings Per Share - Basic \& Diluted} = \frac{\text{Net Profit After Tax As Restated}}{\text{Number of Equity Shares Outstanding for the Year}}$$

$$\text{Net Asset Value Per Share (₹)} = \frac{\text{Net Worth As Restated As At Year End}}{\text{Number of Equity Shares as at Year End}}$$

$$\text{Return On Net Worth (\%)} = \frac{\text{Net Profit After Tax As Restated}}{\text{Net Worth as Restated as at Year End}}$$
- The figures disclosed above are based on the Restated Summary Statements of the Company.

Annexure XXVIII - STATEMENT OF DIVIDEND, AS RESTATED

(Amount in ₹ lacs)

Particulars	As at Sept 30, 2017	For the year ended 31st March,			
		2017	2016	2015	2014
Dividend on Equity Shares					
Dividend in % - Final	-	10	-	-	-
Proposed Dividend	-	80.50	-	-	-
Dividend Tax	-	16.39	-	-	-



Face Value of the Equity Shares - ₹ 10/-

Annexure XXIX – STATEMENT OF RELATED PARTIES TRANSACTIONS, AS RESTATED

Names of the Related parties and Nature of Relationships as per the Accounting Standard 18- "Related Party Disclosures"

Related parties, as defined under Clause 3 of Accounting Standard (AS 18) "Related Party Disclosures" prescribed by Companies (Accounting Standards) Amendment Rules, 2006, have been identified on the basis of representation made by the Management and taken on record by the Board of Directors.

(Amount in ₹ lacs)

S.No	Particulars	As at Sept 30, 2017	For the year ended 31st March,			
			2017	2016	2015	2014
1	Related parties where control exists					
	Advance from related parties - POM	Debit – 46.73	Credit - 8.48	-	-	-
	Advance from related parties - Puri Bros	Credit – 1.99	Credit - 1.31	-	-	-
2	Key Managerial Personnel (KMP)	-	-	-	-	-

For Amit Ray & Co.
Chartered Accountants
Firm Registration No: 000483C

Sandeep Chaudhary
Partner
Membership No. 415858
Place: New Delhi
Date: January 8, 2018

For and on behalf of the Board

Vivek Puri
Managing Director

Shalini Puri
Director

Rajiv Bansal
Chief Financial Officer

Rajesh Kumar Keshry
Company Secretary



RESTATED FINANCIAL STATEMENTS OF PURI OIL MILLS LIMITED

Annexure I - SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(Amount in ₹ lacs)

Sr. No.	Particulars	2017	2016		2015		2014		2013	
		Oil & others	Hydro	Oil & others						
A.	Non current assets									
	Fixed assets									
	Tangible assets	2718.48	4153.10	2740.87	4267.92	2678.91	4347.66	2750.98	4732.08	2810.33
	Less: Revaluation Reserve	2202.41	-	2221.37	-	2243.08	-	2267.17	-	2288.89
	Net Block after adjustment for Revaluation Reserve	516.07	4153.10	519.50	4267.92	435.83	4347.66	483.81	4732.08	521.44
	Intangible Assets	0.02	25.17	0.04	26.02	0.06	33.70	0.01	33.70	-
	Capital Work in progress	-	738.07	-	689.32	-	534.35	-	519.61	-
	Non-current Investments	2417.61	-	17.90	-	15.65	-	15.65	-	2.90
	Long term loans and advances	145.25	16.83	175.01	16.83	204.22	131.83	182.28	254.80	211.56
	Other non-current assets	-	-	-	-	-	-	-	-	-
	Total non current assets	3078.95	4933.17	712.45	5000.09	655.76	5047.54	681.75	5540.19	735.90
B.	Current assets									
	Current investments	-	-	-	-	-	-	-	-	-
	Inventories	1325.04	-	1102.20	-	1069.05	0.09	1189.98	-	1018.23
	Trade receivables	274.14	56.71	344.22	129.13	286.15	79.85	290.17	110.95	326.96
	Cash and bank balances	2751.24	101.81	2497.24	88.13	1495.18	0.62	1358.09	1.46	985.95
	Short term loans and advances	58.85	28.37	46.57	30.06	26.06	31.44	18.42	30.72	19.09
	Other current assets	53.11	64.03	82.86	64.18	64.13	42.54	76.47	72.27	40.67
	Total current assets	4462.38	250.92	4073.09	311.50	2940.57	154.54	2933.13	215.40	2390.90
C.	Non current liabilities									
	Long term borrowings	33.75	944.27	73.51	1341.38	22.37	1740.11	17.95	2190.92	69.23



	Deferred Tax Liabilities (Net)	(37.66)	457.96	(36.67)	372.43	(35.93)	283.25	(8.94)	263.53	(18.54)
	Other Non-current Liabilities	-	-	-	-	-	-	-	-	-
	Long term provisions	112.99	6.89	89.84	4.88	73.02	3.36	62.79	3.76	77.06
	Total non current liabilities	109.08	1409.12	126.68	1718.69	59.46	2026.72	71.80	2458.21	127.75
D.	Current liabilities	-								
	Short term borrowings	303.26	40.35	392.47	-	247.96	14.56	455.01	22.86	468.69
	Trade payables	1008.22	14.77	1035.69	16.79	879.04	17.43	776.03	15.20	527.47
	Other current liabilities	906.48	410.08	888.15	405.60	304.43	359.71	324.11	382.84	388.88
	Short term provisions	262.31	2.51	112.30	1.58	175.11	1.93	172.15	1.06	240.98
	Total current liabilities	2480.27	467.71	2428.61	423.97	1606.54	393.63	1727.30	421.96	1626.02
	Net Worth	4951.98	3307.26	2230.25	3168.93	1930.33	2781.73	1815.78	2875.42	1373.03
	(A+B-C-D)									
	Represented by:									
E.	Share capital	940.08	-	940.08	-	940.08	325.00	615.08	25.00	615.08
F.	Reserves and surplus	6214.31	448.66	6370.14	261.10	6141.16	(94.58)	6019.18	(19.67)	5616.93
	Less: Revaluation Reserve	2202.41	0.00	2221.37	-	2243.08	-	2267.17	-	2288.89
	Reserves & Surplus(Net of revaluation reserves)	4011.90	448.66	4148.77	261.10	3898.08	(94.58)	3752.01	(19.67)	3328.04
	Share Application Money Pending Allotment	-	-	-	-	-	-	-	300.00	-
	Head Office Account	-	2858.60	(2858.60)	2907.83	(2,907.83)	2551.31	(2,551.31)	2570.09	(2,570.09)
	Net Worth (E+F)	4951.98	3307.26	2230.25	3168.93	1930.33	2781.73	1815.78	2875.42	1373.03

For and on behalf of board of Puri Oil Mills Ltd.

Vivek Puri
Managing Director
DIN- 00666237

Shalini Puri
Director
DIN – 00796112

Company Secretary

For S.K. Vatta & Co.
Chartered Accountants
FRN: 001357N

S.K.Vatta
Prop.
M. No. : 012843
Date : September 16, 2017
Place : New Delhi



Annexure II - SUMMARY STATEMENT OF PROFITS AND LOSSES

(Amount in ₹ lacs)

Particulars	2017	2016		2015		2014		2013	
	Oil & others	Hydro	Oil & others	Hydro	Oil & others	Hydro	Oil & others	Hydro	Oil & others
Revenue									
Revenue from operations	27351.50	721.55	24939.90	971.53	21220.07	819.75	20558.76	918.05	21521.97
Other income	186.35	9.02	149.23	13.31	130.37	1.82	167.47	104.95	99.10
Total Revenue	27537.85	730.57	25089.13	984.84	21350.44	821.57	20726.23	1023.00	21621.07
Expenses									
Operating Costs	23982.88	-	22255.43	-	18629.86	-	17940.41	-	18985.42
Employee benefit expense	839.31	82.36	761.51	82.28	743.67	97.12	603.95	69.90	547.64
Finance cost	36.98	189.10	58.74	240.85	55.41	290.20	57.32	354.38	119.93
Depreciation expense - Tangible Assets	141.26	116.58	146.62	123.08	153.96	391.52	108.62	387.50	120.09
Less: Transferred from Revaluation Reserve		-	-	-	-	-	(21.72)	-	(23.60)
Amortization expense - Intangible Assets		-	-	-	-	-	-	-	-
Other expenses	1851.11	71.04	1302.80	93.78	1423.55	97.92	1306.04	121.44	986.19
Total Expenses	26851.54	459.08	24525.10	539.99	21006.45	876.76	19994.62	933.22	20735.67
Profit before tax	686.31	271.49	564.03	444.85	343.99	55.19	731.61	89.78	885.40
Tax									
Current tax	275.00	-	215.00	-	143.64	-	190.00	-	226.16
Fringe benefit tax	-	-	-	-	-	-	-	-	-
Deferred tax	(458.96)	83.93	0.87	89.17	(27.00)	19.72	9.60	75.01	1.76
Income Tax Adjustment of earliar years	(3.61)	-	5.79	-	(8.18)	-	2.40	-	(0.16)
Wealth Tax	0.01	-	0.23	-	0.39	-	0.45	-	0.31
Total Tax Expenses	(187.56)	83.93	221.89	89.17	108.85	19.72	197.65	75.01	228.07
Net profit	873.87	187.56	342.14	355.68	235.14	(74.91)	533.96	14.77	657.33



**For and on behalf of board of Puri
Oil Mills Ltd.**

Vivek Puri
Managing Director
DIN- 00666237

Shalini Puri
Director
DIN – 00796112

Company Secretary

For S.K. Vatta & Co.
Chartered Accountants
FRN: 001357N

S.K.Vatta
Prop.
M. No. : 012843
Date : September 16, 2017
Place : New Delhi



Annexure III - STATEMENT OF CASH FLOWS

(Amount in ₹ lacs)

Particulars	For the year ended 31st March								
	2017	2016		2015		2014		2013	
Segment -	Oil & others	Hydro	Oil & others	Hydro	Oil & others	Hydro	Oil & others	Hydro	Oil & others
A. CASH FLOW FROM OPERATING ACTIVITIES									
Net profit before tax	686.31	271.49	564.03	444.85	343.99	(55.19)	731.61	89.78	885.40
Adjustments for:									
Depreciation and amortization	141.26	116.58	146.62	123.08	153.96	391.52	86.90	282.81	96.49
Finance Cost	36.98	189.10	58.74	240.85	55.41	290.20	57.32	354.38	119.93
Loss on sale of fixed assets	(0.48)	-	(9.43)	-	(3.20)	-	(1.30)	-	(0.99)
Interest income	(156.85)	(6.24)	(129.50)	(1.76)	(117.69)	(1.28)	(97.32)	-	(66.66)
Dividend Income	-	-	-	-	-	-	-	-	-
Operating profit before working capital changes	707.22	570.93	630.46	807.02	432.47	625.25	777.21	726.97	1034.17
Adjustments for Increase / Decrease in									
Long Term Provisions	23.15	2.01	16.82	1.52	10.23	(0.40)	(14.27)	0.54	15.88
Short Term Provisions	150.01	0.93	(62.81)	(0.35)	2.96	0.87	(68.83)	0.76	120.65
Trade Payable	(27.47)	(2.02)	156.65	(0.64)	103.01	2.23	248.56	(41.69)	(54.16)
Other Current Liabilities	18.33	4.48	583.72	45.89	(19.68)	(23.13)	(64.77)	(126.29)	88.96
Other Long Term Liabilities	-	-	-	-	-	-	-	-	-
Long Term Loan and Advances	29.76	-	29.21	115.00	(21.94)	122.97	29.28	-	(15.52)
Short Term Loan and Advances	(12.28)	1.69	(20.51)	1.38	(7.64)	(0.72)	0.67	34.70	19.78
Other Non Current Assets	-	-	-	-	-	-	-	-	-
Inventories	(222.84)	-	(33.15)	0.09	120.93	(0.09)	(171.75)	-	(40.24)
Trade Receivable	70.08	72.42	(58.07)	(49.28)	4.02	31.10	36.79	(81.69)	(70.22)
Other Current Assets	29.75	0.15	(18.73)	(21.64)	12.34	29.73	(35.80)	4.24	(9.17)



Subtotal	58.49	79.66	593.13	91.97	204.23	162.56	(40.12)	(209.43)	55.96
Cash generated from operations	765.71	650.59	1223.59	898.99	636.70	787.81	737.09	517.54	1090.13
Income taxes paid (including fringe benefit tax)	290.54	-	240.17	-	155.00	-	204.03	-	236.69
Net Cash from Operating activities	475.17	650.59	983.42	898.99	481.70	787.81	533.06	517.54	853.44
B. CASH FLOW FROM INVESTING ACTIVITIES									
Purchases of fixed assets including out of Grants	(126.02)	(49.66)	(199.13)	(190.63)	(78.740)	(21.84)	(47.98)	(267.05)	(149.36)
Sale of Fixed Assets	7.66	-	-	-	-	-	-	-	-
Sale of Hydro Business	2400.00	-	-	-	-	-	-	-	-
Net Purchase and Sale of Investments	(2399.710)	-	(2.25)	-	-	-	(12.75)	-	-
Interest income	156.85	6.24	129.50	1.76	117.69	1.28	97.32	-	66.66
Bank Balnce FDR Trf to Hydro Buisness	(101.80)	-	-	-	-	-	-	-	-
Net cash used in investing activities	(63.02)	(43.42)	(71.88)	(188.87)	38.95	(20.56)	36.59	(267.05)	(82.70)
C. CASH FLOW FROM FINANCING ACTIVITIES									
Changes in Long Term Borrowings	(39.76)	(397.11)	51.14	(398.73)	4.42	(450.81)	(51.28)	(361.20)	44.98
Changes in Short Term Borrowings	(89.21)	40.35	144.51	(14.56)	(207.05)	(8.30)	(13.68)	22.86	(160.84)
Interest Paid	(36.98)	(189.10)	(58.74)	(240.85)	(55.41)	(290.20)	(57.32)	(354.38)	(119.93)
Payment of Dividend	(94.01)	-	(94.01)	-	(94.01)	-	(94.01)	-	(64.01)
Own Contribution-Head office	-	(49.23)	49.23	31.52	(31.52)	(18.78)	18.78	441.91	(441.91)
Net Cash from/used in financing activities	(259.96)	(595.09)	92.13	(622.62)	(383.57)	(768.09)	(197.51)	(250.81)	(741.71)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	152.19	12.08	1003.67	87.50	137.08	(0.84)	372.14	(0.32)	29.03
Opening cash and cash equivalents	2599.05	88.13	1495.18	0.62	1358.09	1.46	985.95	1.78	956.92
Closing cash and cash equivalents*	2751.24	100.21	2498.85	88.12	1495.17	0.62	1358.09	1.46	985.95



**For and on behalf of board of Puri
Oil Mills Ltd.**

Vivek Puri
Managing Director
DIN- 00666237

Shalini Puri
Director
DIN – 00796112

Company Secretary

**For S.K. Vatta & Co.
Chartered Accountants**
FRN: 001357N

S.K.Vatta
Prop.
M. No. : 012843
Date : September 16, 2017
Place : New Delhi



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview of our Business:

POM Hydro Energy Limited ('POM Hydro') incorporated in the year 2013, is a wholly owned subsidiary of Puri Oil Mills Limited (Puri Oil). Puri Oil had two business segments viz; Manufacturing of Mustard Oil and Hydro Power generation. Pursuant to Business Transfer Agreement dated 29/02/2016 the hydro power business of Puri Oil Mills Ltd. was transferred to POM Hydro as a going concern on a slump sale basis. The transferred hydro business includes three operational small hydro power projects, one project in Himachal Pradesh having a power generation capacity of 2 MW and two projects in Haryana with a capacity of 1.4 MW each. These projects are running successfully over the last five years. Puri Oil also had four more hydro projects in hand with a total capacity of about 26 MW. However, post aforementioned business transfer / slump sale, all the existing hydro power business as well as the proposed ones have now been transferred to POM Hydro, effective from April 01, 2016. The detail of the various projects is as under:-

Commissioned Projects

We at POM Hydro presently have three Small Hydro power Projects with a total capacity of 4.8 MW located in the states of HP & Haryana, as under:-

Location	Capacity(MW)	Type
Khukhani District – Yamunanagar, Haryana	1.4	Irrigation canal based project
Mussapur District Karnal, Haryana	1.4	Irrigation canal based project
Chakshi District Kullu, Himachal Pradesh	2.0	Run of the river

Capacity augmentation of existing projects in Haryana

Location	Existing Capacity (MW)	Type
Khukhani District – Yamunanagar, Haryana	1.4	0.7
Mussapur District Karnal, Haryana	1.4	0.7

Projects to be taken up at future stage

Location	Capacity(MW)	Type
Uhl District Mandi, Himachal Pradesh	14.0	Run of the river
Khajuri District Yamunanagar), Haryana	2.154	Irrigation canal based project
Mainmatti District Karnal, Haryana	2.1	Canal based project
KilhiBehl District Kangra, Himachal Pradesh	7.5	Run of the river

a. **Adherence to the highest quality standards**

All our existing projects have been designed to match the highest possible quality standards. The plant & machinery has been supplied by Boving Fouress Pvt. Ltd., a well known name in turbines, generator sets



and electro mechanical equipments. The turbines follow the design popularized by GE Power, which are highly efficient.

We commissioned our existing (three) Hydro projects within a span of about three and half years. We have a dedicated technical and administrative team of professionals.

b. **Plan of implementation**

We have started implementing our 14 MW Uhl hydro project in District Mandi (HP). The project is likely to be commissioned by (October 2021). Additionally, the other three allotted projects will be implemented in the future in a phased manner and the implementation of these projects are scheduled by end of 2022.

c. **Promoters experience & their Shareholding**

Our promoters are well established in the business of extracting Mustard Oil for more than eight decades. Subsequently, during the year 2006, the promoters decided to diversify the business of the Company into hydro power generation and have been managing the same since past ten years. Our promoters currently hold entire 100% of our equity Capital.

d. **Factors that may affect Results of Operations**

An important factor that affects the results of operations is the plant load factor (PLF). Higher the PLF, more is the power being generated. PLF is further dependent on the water discharge. Hydro projects have higher PLF as compared to the PLF of the other major sources of renewable energy like Solar and Wind. Smooth grid evacuation also ensures impressive results. Hence, minimal outages along with reduced grid related fault is required to be achieved. The Tariff for each of the hydro power project is determined by the State Regulatory Commission and is based on the clause pertaining to escalation, changes in the cost structure etc.

e. **General economic and business conditions;**

Since the company has signed long term PPAs for the existing commissioned projects with the respective State DISCOMS, there is likely to be no significant effect on the performance of the projects & hence business conditions would relatively stable.

For future projects, though site selection in each case is quite encouraging, yet supportive policy framework is imperative.

f. **Eligibility for Tax Benefits and Incentives**

The positive aspect of taxation vis-a-vis renewable energy project is that the government has granted a 10 year tax holiday to give a boost to this important sector and further there is incentive in the nature of MNRE Capital subsidy. Hence we are paying minimum alternative tax, or MAT, under Indian taxation laws

g. **Our ability to successfully implement the strategy for growth and expansion**

The promoters are well experienced in the field of hydro power business. They are supported by a well placed team of technical professionals to run and manage the hydro projects. However, any delay in the implementation can impact the commissioning schedule and cause cost and time over runs.

The management and the team of professionals also have the capability of raising debt and equity for the projects. The company has successfully commissioned three projects which are running successfully for last 5 years and the same have been profitable.

h. **Factors affecting industrial activity;**

For hydro electric power projects, the energy generation is dependent upon the water flow or discharge, grid failure, canal closure by government for repair etc. The projects have been designed as per the discharge data but for the last ten years, the projects in Haryana have been put up on the Augmentation Canal which is a water carrier canal for NCR (National Capital Region) and there is adequate discharge throughout the year and only in the case of projects in Himachal Pradesh, there is a lean and peak season.



Other than the above, the factors that affect industrial activity are a supportive tax regime, a friendly industrial policy and good industrial relations. In small hydro power all these factors have a positive bearing and do not act as deterrent at all.

i. **Increasing competition in the industry;**

The hydro power business is not prone to much competition as the power generated is sold to the State Discoms or other third parties through long term power purchase agreements. However we face competition from larger power projects which produce power at a lesser cost due to economies of scale. Other factors that may affect the business are climate change, change in policy and regulatory norms due to change in regime, etc.

j. **Cyclical or seasonal fluctuation in the operating results;**

There is seasonal variation only in the case of projects located in Himachal Pradesh, where there is a clear lean and peak period. Both lean and peak periods are linked to the water discharge and the ability to produce power.

k. **Environmental and Grid Stability issues;**

As Indian Government has been following a holistic approach towards the matters of energy, environment and balancing the needs of energy of a growing economy Small Hydro Power can contribute significantly to nation's energy security being one of the source of renewable energy which have minimal adverse impact on environment as compared to other sources

India has witnessed significant capacity addition in Solar and wind power in recent times. The actual output of solar and wind power is not stable and is dependent on location, weather and time of the day. With the increased use of variable forms of generation such as wind and solar, there is increased concern not only about load matching, but grid stability itself. Hydropower plants often are preferred to back-up variable sources due to the ability of compensating for the variations in output and can also make significant contributions to grid stability through the capabilities of their governing systems. Other conventional forms of generation may not be making the same contribution to grid stability due to the fuel efficiency, pollution reduction, block loading and/or other operating restrictions implemented in their control systems.

l. **Changes in laws and regulations that apply to the industry;**

There are some laws and regulations applicable to the industry in which we operate, which we have to comply/ follow. In case of a failure to comply with these laws and regulations or to obtain or renew the necessary permits and approvals our business may be affected. There are no changes in the laws affecting the hydro business except that the requisite renewal of approvals have to be taken from time to time and are already in place.

m. **Change in fiscal, economic or political conditions in India;**

External factors such as potential terrorist attacks, acts of war or geopolitical and social turmoil could constrain our ability to do business, increase the costs and negatively affect our financial performance. Other than the above, the greatest risk to this business is the "sovereign risk". Sovereign risk arises when, the government fails to honor contractual obligations and arbitrarily decides to alter policies and even assets on which the projects are completely dependent. There is continuous interface with the government departments in our business which sometimes slows down the process of clearances and subsequent implementation.

n. **Changes in the foreign exchange control regulations, interest rates and tax laws in India.**

Any change in the foreign exchange control regulation, mainly interest rates and tax laws pertaining to India affects the liquidity of cash in the market which in turn affects the purchasing power of the economy. As our present pattern of funding is not dependent on foreign exchange we do not face any direct impact due to changes in the foreign exchange control regulations.

We may part finance future projects by way of debt hence we may be directly/ indirectly exposed to the interest rate fluctuations and or the foreign exchange fluctuations in case financed through overseas



funding. However, Interest rates are normally stable for the term of the execution of the project and therefore may not impact the project adversely.

Fluctuations in foreign exchange rate may also impact our revenues from carbon credits which are most likely accrued in foreign exchange.

Outlook

The company is committed to put continuous efforts in implementing its projects in a timely manner by using best possible practices and investment in people development. We are confident of continuous performance and growth by using better technologies in the future. The overall scenario of the renewable energy appears quite bright in the country and we at POM Hydro Energy Limited remain optimistic about our future.

The other key factor that lends a positive outlook to the business is the government's focus on renewable energy in order to combat the rising risk related to climate change and the increasing need to reduce the consumption of fossil fuels and make a tangible shift to renewable energy.



Summary Results of Operations

The following table sets forth select financial data from our statement of profit and loss as per our restated Standalone financial statements for the Fiscal 2014, 2015, 2016 & 2017.

Please note that we have provided figures for the year 2013-14, 2014-15 2015-16 drawn from restated financial information from Puri Oil Mills Ltd., our Promoter Company as the Hydro business was part of Puri Oil Mills Ltd. Hydro business was transferred to POM Hydro w.e.f. April 2016 in terms of Business Transfer Agreement dated February 29, 2016 as mentioned.

(Amount in ₹ lacs)

Particulars	For the year ended 31 March			
	2017	2016	2015	2014
Revenue				
Revenue from operations	993.77	721.55	971.53	819.75
Other income	11.66	9.02	13.31	1.82
Total Revenue	1,005.43	730.57	984.84	821.57
Expenses				
Employee benefit expenses	87.54	82.36	82.28	97.12
Finance cost	132.74	189.10	240.85	290.20
Depreciation & Amortizations expense	220.31	116.58	123.08	391.52
Other expenses	69.52	71.04	93.78	97.92
Total Expenses	510.10	459.08	539.99	876.76
Profit before extra ordinary items and tax	495.33	271.49	444.85	(55.19)
Deferred Tax	15.70	83.93	89.17	19.72
Profit after Tax(as restated)	479.63	187.56	355.68	(74.91)

1. **Revenue:** Our income consists of revenue from operations and other income:
 - *Income from Operations:* Our revenue from operations are primarily from sale of energy generated by our existing commissioned projects i.e. Chakshi (in HP), and Khukhani & Musapur (in Haryana), in pursuant to long term PPAs signed with HPSEBL for Chakshi project and with HPPC for Khukhani&Mussapur.
 - *Other Income:* Other income mainly consists of income from interest on fixed deposits, interest on delayed payments and amount written back.
2. **Expenses:** Our expenses are divided into employee costs, finance costs, other expenses and depreciation:
 - **Employee Costs:** The employee costs are towards Salaries, wages and bonus, which forms the bulk of the costs, followed by contribution to Provident Fund, Gratuity, Provision for bonus expenses, staff welfare expenses, leave encashment, ESI expenses and Labour welfare expenses.
 - **Finance Costs:** The finance cost includes interest expenses, bank guarantee commission, bank charges and other borrowing costs.
 - **Other expenses:** This head is for various expenses incurred by our Company on Rent, Repairs and maintenance, Insurance, Rates and Taxes, Auditor's Remuneration, Administrative, O&M Expenses to State Utilities and Miscellaneous Expenses (expenses related to Government clearances and renewal of licenses/NOC and others) etc.
 - **Depreciation & Amortization Expense:** It consists of depreciation expense on tangible assets and amortization expense on intangible assets



Results of Operations

Financial Year 2017 compared to Financial Year 2016

Income:

Total Revenue: Our total revenue for the Fiscal 2017 stands ₹ 1005.43 lacs as compared to ₹ 730.57 lacs for the Fiscal 2016. In FY 2016-17 the Company witnessed a growth of 37.63% year on year basis with increase in total revenues by ₹ 274.86 lacs.

Revenue from operations: Our revenue from operation increased by 37.73% to ₹ 993.77 lacs for the fiscal 2017 from ₹ 721.55 lacs. The increase in revenue was on account of improved generation efficiencies and disruption free operations. Following are the generation figures:

Plant	FY 2016-17		FY 2015-16	
	Generation in KWh	PLF	Generation in KWh	PLF
Mussapur	9,406,770	77%	6,652,078	54%
Khukhani	8,511,566	69%	6,466,709	53%
Chakshi	8,881,500	51%	7,213,300	41%

Other Income: Other income increased by 29.27% to ₹ 11.66 lacs for the Fiscal year 2017 from ₹ 9.02 lacs for the Fiscal year 2016 primarily on account of increase in Interest on FDR and accounts written back. Interest on FDR for the Fiscal 2017 was ₹ 9.15 lacs as compared to ₹ 6.23 lacs in the Fiscal year 2016.

Expenditure:

Total Expenses: Our total expenses increased by 11.11% to ₹ 510.10 lacs for the Fiscal 2017 from ₹ 459.08 lacs for the Fiscal 2016. The increase is majorly on account of increase in depreciation expense and Employee benefits expense.

Employee benefit expense: Our employee benefit expense increased by 6.29% to ₹ 87.54 lac for the Fiscal 2017 from ₹ 82.36 lacs for the Fiscal 2016 primarily due to increase in salaries wages and bonus and consequently increase in contribution to provident fund and other related heads.

Finance Cost: On overall basis our finance cost for the Fiscal 2017 has decreased to ₹ 132.74 lacs from ₹ 189.10 lacs for the Fiscal 2016. The reduction in Finance cost is majorly due to decrease in term borrowings of the Company to ₹ 938.31 lacs in the Fiscal 2017 from ₹ 1335.63 lacs in the Fiscal 2016.

Depreciation Expense and Amortization expense: The Depreciation expense for the Fiscal 2017 has increased to ₹ 220.31 lacs from ₹ 116.58 lacs for the Fiscal 2016. This was mainly because for the Fiscal year 2016, depreciation on plant & machinery and hydraulic/civil works pertaining to hydro-power projects was charged on Straight Line Method over the useful lives of assets as per the lives specified in the Schedule II of the Companies Act, 2013. During FY 2017 Company shifted to Written Down Value Method of depreciation on Tangible Fixed Assets over the useful lives of assets as per the lives specified in the Schedule II of the Companies Act, 2013.

Other Expenses: Our other expenses decreased to ₹ 69.52 lacs for the Fiscal 2017 from ₹ 71.04 lacs for the Fiscal 2016, thereby representing a decrease of 2.14%. The legal and professional fee has a major contribution in other expenses which has declined to ₹ 20.91 lacs for the Fiscal 2017 from ₹ 24.58 lacs for the Fiscal 2016

Net Profit, as Restated: As the result of above, our net profit, as restated, increased to ₹ 479.63 lacs for the Fiscal 2017 from ₹ 187.56 lacs for the Fiscal 2016 with a year on year increase of 155.72%.

**Financial Year 2016 compared to Financial Year 2015****Income:**

Total Revenue: Our total revenue for the Fiscal 2016 declined by 25.81% to ₹ 730.57 lacs from ₹ 984.84 lacs for the Fiscal 2015 majorly due to decrease in revenue from operation as the Company encountered a disruption in its operation

Revenue from operations:

For the Fiscal year 2016, our revenue from operations registered a decline of 25.73% to ₹ 721.55 lacs from ₹ 971.52 lacs for Fiscal year 2015. The decrease in the revenue was due to the fact that the Haryana projects remained closed for two months the Fiscal year 16 due to heavy silting in the canal. The operational performance of our project for the mentioned period is as follows:

Plant	FY 2015-16		FY 2014-15	
	Generation in KWh	PLF	Generation in KWh	PLF
Mussapur	6,652,078	54%	9,538,350	78%
Khukhani	6,466,709	53%	9,204,147	75%
Chakshi	7,213,300	41%	7,119,900	41%

Other Income : Other income decreased by 32.23% to ₹ 9.02 lacs for the Fiscal year 2016 from ₹ 13.31lacs for the Fiscal year 2015 primarily on account accounts written back.

Expenditure:

Total Expenses: Our total expenses decreased by 14.98% to ₹ 459.08 lacs for the Fiscal 2016 from ₹ 539.99 lacs for the Fiscal 2015. The decrease is majorly on account of decrease in depreciation expense, finance cost and other expenses.

Employee benefit expense: We have not observed any major change in the Employee Benefit Expense. Our employee benefit expense has marginally increased by 0.10% to ₹ 82.28 lac for the Fiscal 2016 from ₹ 82.08 lacs for the Fiscal 2015.

Finance Cost: On overall basis our finance cost for the Fiscal 2016 has decreased to ₹ 189.10 lacs from ₹ 240.85 lacs for the Fiscal 2015. The reduction in Finance cost is majorly due to decrease in term borrowings of the Company to ₹ 1335.63 lacs in the Fiscal 2016 from ₹ 1680.18 lacs in the Fiscal 2015.

Depreciation Expense and Amortization expense:: The Depreciation expense for the Fiscal 2016 has decreased to ₹ 116.58 lacs from ₹ 123.08 lacs for the Fiscal 2015. The decrease of 5.28 % in depreciation was majorly on account depreciated asset base.

Other Expenses: Our other expenses decreased to ₹ 71.04 lacs for the Fiscal 2016 from ₹ 93.78lacs for the Fiscal 2015, thereby representing a decrease of 24.25%. The legal and professional fee has a major contribution in other expenses which has declined to ₹ 24.58lacs for the Fiscal 2017 from ₹ 46.27 lacs for the Fiscal 2015

Net Profit, as Restated: : As the result of above, our net profit, as restated, decreased to ₹ 187.56 lacs for the Fiscal 2016 from ₹ 355.68 lacs for the Fiscal 2015 with a year on year decrease of 47.27%.

**Results of Operations****Financial Year 2015 compared to Financial Year 2014****Income :**

Total Revenue: Our total revenue for the Fiscal 2015 stands ₹ 984.84 lacs as compared to ₹ 821.57 lacs for the Fiscal 2014. In FY 2014-15 the Company witnessed a growth of 19.87% year on year basis with increase in total revenues by ₹ 163.27lacs.

Revenue from operations: Our revenue from operation increased by 18.52% to ₹ 971.53 lacs for the fiscal 2015 from ₹ 819.75 lacs. The increase in revenues was on account of improved generation efficiencies of our Haryana projects. Following are the generation figures corresponding to the time period:

Plant	FY 2014-15		FY 2013-14	
	Generation in KWh	PLF	Generation in KWh	PLF
Mussapur	9,538,350	78%	8,341,622	68%
Khukhani	9,204,147	75%	6,644,444	54%
Chakshi	7,119,900	41%	8,646,200	49%

Other Income: Other income increased to ₹ 13.31 lacs for the Fiscal year 2015 from ₹ 1.82 lacs for the Fiscal year 2014 primarily on account of interest on delayed payments by State Utilities and accounts written back.

Expenditure:

Total Expenses: Our total expenses decreased by 38.41% to ₹ 539.99 lacs for the Fiscal 2015 from ₹ 876.76lacs for the Fiscal 2014. The decrease is majorly on account of decrease in depreciation expense, finance cost and other expenses.

Employee benefit expense: Our employee benefit expense decreased by 15.28% to ₹ 82.28 lac for the Fiscal 2015 from ₹ 97.12 lacs for the Fiscal 2014 primarily due to decrease in salaries wages and bonus and consequently decrease in contribution to provident fund and other related heads.

Finance Cost: On overall basis our finance cost for the Fiscal 2015 has decreased to ₹240.85 lacs from ₹ 290.20 lacs for the Fiscal 2014. The reduction in Finance cost is majorly due to decrease in term borrowings of the Company to ₹ 1680.18lacs in the Fiscal 2015 from ₹ 2045.11 lacs in the Fiscal 2014.

Depreciation Expense and Amortization expense: The Depreciation expense for the Fiscal 2015 has decreased to ₹ 123.08 lacs from ₹ 391.52lacs for the Fiscal 2014. The decrease of 68.57 % in depreciation was majorly on account of change in accounting policies as per new companies act. For depreciation expense the company has adopted accounting policies in accordance of schedule II of Companies Act, 2013 in the Fiscal 14-15 while it was in accordance of schedule XIV of Companies Act, 1956 in the Fiscal 2013-14

Other Expenses:::Our other expenses decreased marginally to ₹ 93.78 lacs for the Fiscal 2015 from ₹ 97.92lacs for the Fiscal 2014, hereby representing a decrease of 4.23%.

Net Profit, as Restated: As the result of above, our net profit, as restated, increased to ₹ 355.68 lacs for the Fiscal 2015 against a loss of ₹ 74.91 lacs for the Fiscal 2014.

Other Qualitative Factors

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:



- 1. Unusual or infrequent events or transactions**
There have been no events, other than as described in this Offer Document, which may be called “unusual” or “infrequent”
- 2. Significant economic changes that materially affected or are likely to affect income from continuing operations**
To our knowledge, there are no significant economic changes that have materially and adversely affected or are likely to have a material adverse effect on our income from continuing operations.
- 3. Known trends or Uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**
To our knowledge, there are no trends or uncertainties that have or had or are expected to have a material adverse impact on our income from continuing operations. However, a sudden fall in water discharge, canal closure by the govt. for repairs or enhancement of capacity, grid failure and other force majeure reasons can have an adverse impact on cost and revenues.
- 4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**
No significant change between cost and revenue, particularly with reference to material or labour cost is likely to be expected For future projects, inflation will have to be factored in especially with respect to construction related costs etc. which may be time to time considered by appropriate regulatory commission during tariff determination.
- 5. The extent to which material increase in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**
Our revenues shall increase with the completion of projects under implementation and also due to the new activities proposed to be undertaken by the company.
- 6. Total turnover of each major industry segment in which the company operates.**
- 7. Status of any publicly announced new product**
We have not publicly announced any new products other than those mentioned under the head projects to be taken up in the future.
- 8. The extent to which the business is Seasonal**
Our business is subject to seasonality. Electricity generated by our hydro projects depends on the available water supply/ flows during the lean and peak period. We typically generate most of our annual energy generation from these projects during the monsoon season, which typically runs from June to September. But sometimes due to silting the generation gets affected of our Haryana Project.
- 9. Competitive conditions**
We expect competition in the power industry from existing and potential competitors to intensify. However we do not expect any competition in the projects already commissioned by us due to the unique nature of our business where long term PPAs are signed and hence the business is insulated from the considerable risk, ensuring security.
- 10. Cautionary Statement**
Statements in this report on Management Discussion and Analysis describing the company’s objective, expectations or predictions may be forward looking statements within the meaning of applicable security law and regulations. These statements are based on certain assumption and expectations of future events. Actual results could however differ materially from those expressed or implied

Significant Developments after March 31, 2017

To our knowledge and belief, no circumstances other than as those disclosed in this Prospectus have arisen since the date of the last financial statements contained in this Prospectus 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.



FINANCIAL INDEBTEDNESS

The details with regard to the Principal Terms of Loans and Assets charged by way of Security by M/s POM Hydro Energy Limited to the Lenders as on January 8, 2018 is as follows:

Particulars	State Bank of India
Nature of Loan	Term Loan & Working Capital
Outstanding balance	₹ 837.09 lacs
Rate of Interest	Term Loan 11.75% & CC 11.70%
Primary Security	Hyp. of Plant & Machinery and misc fixed assets of the Company and Hyp of current assets including receivables.



SECTION VI – LEGAL AND OTHER REGULATORY INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by the Company, its Directors, its Promoters and its Group Companies and there are no defaults, non-payment of statutory dues, over-dues to banks/ financial institutions, defaults against banks/financial institutions by the Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding ₹ 1 lakh, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under Schedule V to the Companies Act, 2013) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against the Company, its Promoters, its Directors and Group Companies.

Further, except as stated herein, there are no past cases in which penalties have been imposed on the Company, its Promoters, its Directors or its Group Companies, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of the Company. Further, there are no cases of litigation, defaults etc. in respect of Companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or its Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.

LITIGATION RELATING TO THE COMPANY:

Except as disclosed below there are no:

- litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of our Company during the last five years immediately preceding the year of the issue of the Offer Document and any direction issued by such Ministry or Department or statutory authority;
- Pending litigation involving our Company, our Promoter, our Directors, Subsidiaries, Group Companies or any other person, whose outcome could have material adverse effect on the position of the issuer;
- Material fraud committed against our Company in the last five years;
- inquiry, inspections or investigations initiated or conducted under the Companies Act 2013 or any previous companies law in the last five years immediately preceding the year of issue of the prospectus in the case of our Company;
- pending proceedings initiated against our Company for economic offences;
- Default and non-payment of statutory dues etc. Further from time to time, we have been and continue to be involved in legal proceedings filed by and/or against us, arising in the ordinary course of our business. These legal proceedings are mostly civil in nature. We believe that the number of proceedings in which we are / were involved is not unusual for a company of our size doing business in India.

Contingent liabilities:

As on March 31, 2017 the Company does not have any contingent liabilities



I. CASES FILED AGAINST THE COMPANY:

The below mentioned cases are to be transferred from M/s. Puri Oil Mills Limited to the Company pursuant to the signing of the Business Transfer Agreement (“BTA”):

1.	Case No.	Civil Appeal 13779/2015
	Appellant	Haryana Power Purchase Centre (“HPPC”)
	Respondent	Puri Oil Mills Limited and Ors.
	Nature of Case / Brief Facts of the Case	This is a tariff revision matter. Statutory Appeal has been filed by HPPC in the Supreme Court against the tariff order dated 27.4.2015 passed by APTEL. Appeal has been admitted but no stay was granted. The appeal was filed by Puri Oil Mills Ltd. before the APTEL against the consequential order dated 28.07.2014 passed by Haryana Energy Regulatory Commission (“HERC”), re-determining the tariff of the projects in Haryana in pursuance of the direction issued by APTEL vide order dated 27.04.2015, held that the Tariff Regulations, 2010 would be applicable in the present case except capital cost. Moreover an appeal by HPPC against the judgement dated 27.04.2015 of the APTEL was filed and admitted but no stay was granted to the appellant.
	Court / Forum	Supreme Court
	Site concerned	Musapur & Kukhani
	Amount Involved	Amount not ascertained.
	Next date of hearing	Case has been transferred from the Registrar to court. The Last date of hearing was 16.11.2017 and the next date is yet to be fixed by the court.
2.	Reference No.	R NO. 133 OF 2015
	Applicant/Workman	Anil Kumar
	Respondent	Puri Oil Mills Limited and Ors
	Nature of Case / Brief Facts of the Case	A suit for re-instatement has been filed before the Labour Court Panipat by Anil Kumar, a technical Assistant. The Applicant alleges our Company has illegally terminated his services and has not taken him back on the services and he has therefore filed this claim statement before the concerned labour court for his reinstatement and continuity of service as his termination dismissal is unjustified. In his claim statement he has also mentioned that our Company is liable to pay him an amount of ₹ 1,80,800 as medical expenses, dearness allowance, overtime wages, basic wages, etc. Our Company has filed the written statement and has clarified that the termination of workman is on the basis of the enquiry in which his charges were duly proved and therefore the Applicant is not entitled to seek reinstatement, claim back wages, continuity in services etc. The matter is now at evidence stage.
	Court / Forum	District & Session Judge, Presiding officer Industrial Tribunal cum Labour Court, Panipat
	Site concerned	Musapur.
	Amount Involved	The dispute pertains to reinstatement of the workman with an amount



		involved is of ₹ 1,80,800 and continuity of services
	Next date of hearing	The next date of hearing is 09.03.2018.

3.	Reference No.	133/15
	Applicant/Workman	Anil Kumar
	Respondent	Puri Oil Mills Limited and Ors
	Nature of Case / Brief Facts of the Case	The case relates to payment of wages workman.
	Court / Forum	Asst. Labour Commissioner, Karnal
	Amount Involved	₹ 1.81 Lakhs
	Next date of hearing	The next date of hearing is 25.01.2018.

II. CASES FILED BY THE COMPANY (Puri Oil Mills Ltd.):

1.	Appeal No.	FA/786/2017
	Appellant	Puri Oil Mills Limited
	Respondant	Royal Sundaram Alliance Insurance Co. & another
	Nature of Case / Brief Facts of the Case	<ul style="list-style-type: none"> An appeal against the order dated 23.02.2017 passed by State Commission, Panchkula
	Court / Forum	National Consumer Dispute Redressal Commission, Delhi
	Site concerned	Mussapur
	Amount Involved	₹ 36.20 Lakhs with interest.
	Next date of hearing	Next date for appearance is 15.05.2018.

2.	Case / Appeal No.	CC/1896/2017
	Complainant	Puri Oil Mills Limited
	Opposite Parties	Royal Sundaram Alliance Insurance Co. & another
	Nature of Case / Brief Facts of the Case	<ul style="list-style-type: none"> The Consumer Complaint has been filed by POM for deficiency of services and unfair trade practices against the repudiation of their Claim by the insurer for the losses caused due to a subsidence around the structural area of the power plant. The Opposite Party be directed to indemnify loss of ₹1,17,76,000/- along with interest @ 18% p.a. plus ₹ 2,00,000/- for inconvenience, harassment, discomfort, disappointment, mental agony and deficiency in service etc. plus ₹ 2,00,000/- as punitive damages, exemplary costs of ₹ 1,10,000 and award costs to be awarded to the complainant.
	Court / Forum	National Consumer Dispute Redressal Commission, Delhi
	Site concerned	Kukhani
	Amount Involved	₹ 1,17,76,000 with interest
	Next date of hearing	Next date of hearing is on 24.01.2018 to file rejoinder.

3	Case No.	Arbitration Reference
	Petitioner	Puri Oil Mills Limited
	Respondent	Hempal Rana



Nature of Case / Brief Facts of the Case	<ul style="list-style-type: none"> ▪ Recovery/ Claim petition on account of Non-fulfillment of the work awarded as per the Letter of Award dated 11.12.2013 to the Respondent. ▪ Respondent failed to comply with the terms and conditions of the letter of Award and submitted running bills and took ₹ 12,47,738/- against those running bills. At the time of receiving of the payment, the Respondent and its representative assured that the work up to the extent had already been completed, but later on when the work was not completed within the specified period and the Petitioner got the measurement of the work done on the spot and it was found that the work had been done for only 3338 cume and there was pending work of 5962 cume. The amount of work done worked out to be of ₹ 6,17,530/- whereas the Respondent took the amount of ₹ 12,47,738/-. In this way the Respondent has received ₹ 6,30,208/- in excess and work has not been completed and remained pending since September 2014. ▪ The Petitioner has prayed that the claim of ₹ 6,30,208/- along with interest @ 18% per annum from 24.09.2014 till its realization and damages for the completion of the remaining earth filling work may be awarded.
Court / Forum	Arbitration Proceedings at Moga.
Site concerned	Not mentioned
Amount Involved	₹ 6.30 Lakhs with interest
Next date of hearing	Case Exparte in our favor and award awaiting. Last date was 24.2.2017

III. Cases filed against POML (Promoters)/ POML:

1.	Case No.	Civil suit 24/1 of 2009/07
	Petitioner	Ashwani Kumar Minocha
	Respondent	Sh.k.k. Puri, Mrs. Indu Puri, Puri Oil Mills Limited
	Nature of Case / Brief Facts of the Case	Recovery suit (Application for restoration of dismissal order). The said suit was dismissed by the court in default for non-appearance of the plaintiff and his council on 24.06.2014, to which the plaintiff has filed the present application under Order 9 Rule 9 of CPC for restoration as the counsel for the plaintiff had made an inadvertent mistake of not entering the said case in his diary and the plaintiff due to the nature of the case was under an impression that his presence is needed in the court only when he is been instructed to appear specifically and not otherwise. The mistake made by both the plaintiff and his council was neither intentional nor willful and therefore he is praying for restoration of the case to its original number and same may be heard and decided on merits in the interest of justice rather than dismissing it on mere technicalities.
	Court / Forum	Civil judge, Sr. Division, Shimla
	Amount Involved	₹ 5.10 Lakhs
	Relief prayed for	To allow the present application under Order 9 Rule 9 of CPC for restoration.
	Next date of hearing	The next date of hearing is on 26.02.2018 for arguments on application.



2	Case No.	CC No. 39664/16
	Complainant/ Plaintiff	Delhi Govt.
	Accused / Defendant	Puri Oil Mills Limited
	Nature of Case / Brief Facts of the Case	Criminal Case filed under Prevention of Food Adulteration Act, 1954
	Court / Forum	Metropolitan Magistrate, Patiala Court, New Delhi
	Amount Involved	No Amount Involved
	Next date of hearing	Next Date of hearing is 01.03.2018.
3	Case No.	44/2017
	Complainant/ Plaintiff	Sunita Jamwal & Others
	Accused / Defendant	M/s Puri Brothers & Others
	Nature of Case / Brief Facts of the Case	Motor Vehicle i.e Truck Accident Case
	Court / Forum	Motor Accident Claims Tribunal
	Amount Involved	Amount not ascertained.
	Next date of hearing	14.04.2018
4.	Case No.	08-I/2017
	Complainant/ Plaintiff	State of HP
	Respondent	DK Singhal & Ors.
	Nature of Case / Brief Facts of the Case	Summon has been under Minimum Wages Act dated 25.02.2017
	Court / Forum	Judicial Mangistrate Ist Class, District Kangra HP
	Amount Involved	Amount not applicable
	Next date of hearing	Next date is 03.02.2018
5.	Case No.	07-I/2017
	Complainant	State of HP
	Respondent	Ramesh Chander & Ors.
	Nature of Case / Brief Facts of the Case	Summon has been issued under Contract Labour Act
	Court / Forum	Judicial Mangistrate Ist Class, District Kangra HP
	Amount Involved	Amount not applicable
	Next date of hearing	Next date is 03.02.2018
6.	Case No.	2177
	Complainant	State of HP
	Respondents	DK Singhal & Ors.
	Nature of Case / Brief Facts of the Case	Summon has been issued under Factories Act
	Court / Forum	Judicial Mangistrate Ist Class, District Kangra HP
	Amount Involved	Amount not applicable
	Next date of hearing	Next date is 03.02.2018



7.	Case No.	97-1/2017
	Complainant	State of HP
	Respondents	DK Singhal &Ors.
	Nature of Case / Brief Facts of the Case	Summon has been issued under Payment of Gratuity Act
	Court / Forum	Judicial Mangistrate Ist Class, Indora, District Kangra, HP
	Amount Involved	Amount not applicable
	Next date of hearing	Next date is 30.01.2018

8.	Case No.	FIR No. 76/15
	Complainant	State of HP
	Accused / Defendant	Rohit
	Nature of Case / Brief Facts of the Case	FIR No. 76/15 was registered on 20.04.2015 u/s 279 and 304-A, IPC in the Police Station Palampur in relation to truck accident case. CJM Palampur directed on 23.04.2015 to SHO, Palampur to release the the vehicle i.e. truck alongwith keys and documents except D/L to the applicant
	Court / Forum	Police Station, Palampur and Additional CJM, Palampur, Distrcit, Kangra, (HP)
	Amount Involved	Not applicable
	Next date of hearing	Next Date is yet to be fixed.

9.	Case No.	CMP 2512/2017 (RSA No, 127/2017)
	Appellant	Sh. Ashwani Minocha & Another
	Respondent	Puri Oil Mills Limited
	Nature of Case / Brief Facts of the Case	Application under order 41 rule 5 read with section 151 CPC for staying the First appellate court as well as of the trial court i.e. the Judgment and decree of the Additional District Judge-1, Kangra at Dharamshala, Circuit Court at Nurpur, District Kangra, HP dated 12.01.2017 in Civil Appeal No. 49 – N/XIII/2015 and Judgment and decree of the Civil Judge SR. Division Court No. 1, Nurpur dated 07.09.2015. In civil suit no. 69/2009/2007 titled as M/S Puri Oil Mills Ltd. Versus M/S S.M. Minocha & Co.
	Court / Forum	High court, Shimla
	Amount Involved	₹ 5,04,867.37/- + interest of ₹ 2,10,309.85 (totalling ₹ 7,15,177.16) with future interest @ 18%
	Next date of hearing	Next Date is 26.02.2018.

10.	Case No.	CMA 328/2017
	Applicant/Plantiff	Sukhdev Singh
	Respondent / Defendant	Puri Oil Mills Limited acting through General Manager
	Nature of Case / Brief Facts of the Case	Application u/o 39 R 1&2 C.P.C for issuance of ad-interim injunction and suit for permanent injunction has been filed for restraining the respondent firm, their authorized officers, agents, servants, masons, labourers, from interfering, raising any sort of communication and digging the land for installing pillars / poles for fencing with barbed wire or with any other material, and dispossessing the plaintiff from over the suit land comprised in Khata No. 219 Min, Khatauni No. 307 Min Khasra No. 1090, 1091 Plots- 2



		land measuring 021-34 Hms situated in Mohal & Mauza Mohtil, Tehsil Indora District Kangra H.P. vide Jamabandi for the year 2014-2015 in any manner whatsoever till the pendency of the main suit.
	Court / Forum	Civil Judge (JR. DIV.) Indora Kangra H.P.
	Amount Involved	Not applicable
	Next date of hearing	Court has directed the both parties to maintain the status quo nature and possession over the suit land. Next Date is 22.03.2018.

IV. Cases filed by the POML (Promoters)/ POML/ Sister Concerns:

1	Case No.	CRM 9859-2015
	Complainant/ Appellant / Petitioner	Puri Oil Mills Limited
	Respondent	Bhagwan Das Yadav
	Nature of Case / Brief Facts of the Case	<ul style="list-style-type: none"> ▪ A Petition against Bhagwan Dass Yadav has been filed before the Punjab & Haryana High Court under S.482 Cr. Pc for quashing/setting aside of order of JMIC, Bahadurgarh, as well as order passed by the Additional Sessions Judge, Jhajjar <i>vide</i> which the complaint as well as revision petition filed by the petitioner has been dismissed, without proper consideration of the facts and the settled law. Petitioner had filed a criminal complaint before JMIC, Bahadurgarh under sections 403, 408, 420, 467, 468, 421 of IPC against the respondent alleging him for misappropriation of funds in the complainant company's and had been involved in certain embezzlement activities. The Trial court, at the stage of summoning wrongly dismissed the case due to lack of enough evidence to proceed against the respondent, despite the fact that the complainant produced relevant documents such as, statements of the witnesses on oath, and an undertaking given by the respondent admitting to the charges, as evidence which were enough to adduce prima facie cause and were enough to show the commission of offence by the respondent. But the trial court failed to appreciate the above mentioned evidence and dismissed the case, also citing lack of jurisdiction. In furtherance to this Puri Oil Mills then filed a Criminal Review Petition at the Court of Additional Sessions Judge, Sessions Court, Jhajjar dated 20.4.2013 against the impugned order of the trail court with a prayer to set it aside and to remand the complaint to the trial court with directions to summon the accused. But the said petition was wrongly dismissed on the ground of lack of Jurisdiction. The court failed to establish the applicability of provisions contained in sections 177-181 of CrPc. according to which, the jurisdiction of courts at Bahadurgarh was relevant. ▪ Hence recording the above mentioned reasons, M/s Puri oil Mills filed a petition at the forum of Punjab & Haryana High Court at Chandigarh
	Court / Forum	Punjab and Haryana High Court
Amount Involved	₹ 5.6 Lakh plus interest	



	Next date of hearing	The next date of hearing is 12.03.2018.
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2.	Case No.	CWP No. 71 of 2011
	Petitioner	Puri Oil Mills Limited and Ors.
	Respondent	State of Himachal Pradesh
	Nature of Case / Brief Facts of the Case	<p>A writ has been filed by the petitioner, claiming that the subsidy provided by the CM in the state of Himachal Pradesh of providing the Mustard oil at the rate of ₹ 45/50 violates the rights of the petitioner to carry on the trade and business freely(article 301) and also that the State Subsidy Scheme is without any authority as the commodity in which the petitioner is dealing in i.e. Mustard oil is the essential commodity as defined in Essential Commodity Act , therefore the State government does not have the power to pass any law for controlling the purchase or sale price of Essential Commodities unless delegated by the central government which is not the case. The petitioner also contends that this is violating part III, article 301 & XIII of the Constitution of India, article 14 as only beneficial to the person who has the contract, also bring in unfair trade practices in the market. The said restriction imposed by the government of Himachal Pradesh is arbitrary and unreasonably discriminatory and goes beyond the need felt in the society and hence petitioner prays for quashing the same.</p> <p>Relief prayed for: Writ of certiorari may be issued upon respondents to produce the entire record pertaining to the matter and also in the state subsidy scheme and quash clause (d) of the state subsidized scheme Writ of mandamus to be issued upon respondents directing them to terminate the clause (d) of the state subsidized scheme and also to stop further procurement and supply of mustard oil at subsidized rates through fair price shops or any agency.</p>
	Court / Forum	High Court of Himachal Pradesh at Shimla
	Amount Involved	No amount involved
	Next date of hearing	Judgment dated 01.12.2017 has been passed by the court and review petition is to be filed against the same.

3.	Case No.	Cr. Appeal 156/2008
	Appellant/Applicant	Dinesh Singhal c/o Puri Brothers
	Respondent	Food Inspector Kangra.
	Nature of Case / Brief Facts of the Case	<ul style="list-style-type: none"> ▪ Criminal Revision filed by Dinesh Singhal c/o Puri Brothers for suspension of sentence of imprisonment imposed by the learned judicial magistrate, Kangra vide order dated 26.09.2008. The Trial Court has passed an order against the applicant for simple imprisonment of six month and to pay ₹ 1000 penalty. ▪ Mr. Dinesh Singhal c/o Puri Brothers has appealed in the Sessions Court of Dharamshala against the Judgment passed by the Ld. judge, 1st Class where Appellant is convicted to go under simple imprisonment of 6 months with fine of Rs 1,000 and further imprisonment of six months in default of payment of fine U/s 2(ix), 16(1), (a), (i) of The Prevention of



		Food and Adulteration Act, 1954 (PFA Act) for non-compliance of rule 14, 15, 16, 17 and 18 of PFA, as per the rule regarding “Best Before Use” had been inserted in the act on 13/06/2000 applicable from 01/09/2000. The Central Govt. issued a letter dated 01/08/2000 wherein Food Health Authorities had been categorically advised to not to book cases during the 1 st year of implementation of the said notification. Under the provisions of section 22-A of PFA Act, the Central Govt. is empowered to issue any directions to the State Govt. about the enforcement of the Act. Further it was stated that the sample was taken by the Food inspector on 10/10/2000 and the complainant was unable to prove that the sample was manufactured after 01.09.2000.
	Court / Forum	Sessions Court, Dharamshala
	Amount Involved	No amount involved.
	Next date of hearing	Order reserved. Judgment awaited. Last date was 22.09.2017 and next date is 28.02.2018.

4.	Case No.	113/2007
	Complainant	Devi Dass Gopal Krishan Limited (a unit of Puri Oil Mills Limited)
	Respondent	Ashish Gupta
	Nature of Case / Brief Facts of the Case	Dishonour of Cheque due to insufficiency of Funds.
	Court / Forum	Metropolitan Magistrate, Jammu
	Amount Involved	₹ 58,500/-
	Next date of hearing	Person and his address are not traceable and the next date is yet to be fixed.

5.	Case No.	04/COC/8.2.10
	Petitioner	Puri Oil Mills Limited
	Defendant	Munaaf Majeed Sathoo
	Nature of Case / Brief Facts of the Case	A suit for recovery of Rs 14,83,055 has been filed against Munaaf Majeed Sathoo before District Court Jammu & Kashmir. The defendant is a customer of the plaintiff who purchased, mostly mustard oil from the Plaintiff, on regular basis on “Telephonic Order”. Further the Defendant stopped sending payments without any explanation. Therefore, the Plaintiff had to approach to the court for realization of amount.
	Court / Forum	District Court Jammu & Kashmir (Jammu)
	Amount Involved	₹ 14.83 Lakh
	Next date of hearing	Next date of hearing is on 18.01.2018 for arguments.

6.	Case No.	OWP 1236/2014 & 2016
	Petitioner	Puri Oil Mills Limited
	Respondent/ Defendant	Govt. of J & K
	Nature of Case / Brief Facts of the Case	Writ Petition filed for stay of toll tax imposed by the state government of J&K.
	Court / Forum	J & K High Court Jammu
	Amount Involved	This is a tax matter. Amount not ascertained by the court at this moment



	Next date of hearing	Next date is to be fixed by the court.
7.	Case No.	ICC 1258/2008
	Complainant	Puri Oils Limited.
	Accused	Nalini Prava Maharana, Proprietor, Upsara Agency
	Nature of Case / Brief Facts of the Case	Dishonour of cheque due to insufficiency of funds
	Court / Forum	Sub-Divisional Judicial MagistrateCuttack
	Amount Involved	₹ 1,85,104.60/-
	Next date of hearing	Next Date is to be fixed due to computerization of the court system
8.	Case No.	ICC 1259/2008
	Complainant	Puri Oils Limited.
	Accused	Nalini Prava Maharana, Proprietor, Upsara Agency
	Nature of Case / Brief Facts of the Case	Dishonour of cheque due to insufficiency of funds.
	Court / Forum	Sub-Divisional Judicial Magistrate Cuttack
	Amount Involved	₹ 1,60,039.80/-
	Next date of hearing	Next Date is to be fixed due to computerization of the court system
9.	Case No.	ICC 1260/2008
	Complainant	Puri Oils Limited
	Accused	Gouri Sankarr Padhey, Proprietor
	Nature of Case / Brief Facts of the Case	Dishonour of cheque due to insufficiency of funds
	Court / Forum	Sub-Divisional Judicial Magistrate Cuttack
	Amount Involved	₹ 75329.40/-
	Next date of hearing	Next Date is to be fixed due to computerization of the court system
10.	Case No.	CRL. Revision 10/2013
	Petitioner/ Complainant	Puri Oil Mills Limited as Manufacturing Company of the edible oil. The complainant has been filed against Pizza Corner India (P) Ltd. Puri Oil has also been made a party to this complainant as they were the manufacturing company.
	Respondent	Food Inspector Department of PFA, New Delhi
	Nature of Case / Brief Facts of the Case	<ul style="list-style-type: none"> ▪ Puri Oil Mills Limited has filed a criminal revision against the charges framed u/s Prevention of Food Adulteration Act 1954 (“PFA”) by the lower court. ▪ A criminal revision petition under section 397/399 of C.r P.C filed by the Petitioner against the impugned order dated 04.04.2012 - passed by Sh. Raghbir Singh Ld. ACMM II in CC No. 141 of 2004 alleging the violation of section 2 (i-a) (a) & (m) of the PFA. ▪ Food Inspector Sh. O.P.S Ahlawat conducted a raid on the premises of Pizza Corner India Pvt. Ltd. at green park, New Delhi and collected a sample of edible oil alleged to be refined soya bean oil. The public



		<p>analyst gave a report dated 24.09.2003 wherein it was stated that the sample did not confirm to standards because the Iodine value was less than the prescribed Limit of 120. Based on this the respondent filed a complaint against other parties including Puri Oil Mills Limited u/s 2 (i-a) (a) & (m) of the PFA Act punishable u/s 16 (1) (a) with S. 17 of the PFA. All the accused persons including Puri Oil Mills Limited have pleaded not guilty and have claimed trial.</p> <ul style="list-style-type: none"> ▪ Puri Oil Mills Limited and others filed a criminal revision petition under section 397/399 of the CRPC against the order dated 04.04.2012 before the Ld. District and session Judge Patiala House Courts, New Delhi stating that the said complaint was filed almost after 10 months of the report been given by the public analyst and further that the sample oil collected from the outlet of Pizza Corner was from a packet which had reached its expiry date. The shelf life of the product as mentioned on the pack was 6 months from the date of the packing and it had already expired and was bound to lose its quality. Thus any lab testing or re-testing of the said sample is bound to give adverse reports and the primary reason for the revision petition was because the Trial Court had failed to appreciate the delay caused by the prosecution in filing the case; resulting in loss of rights of the petitioners and so the complaint is not maintainable against the petitioners. <p>Puri Oil Mills Ltd in their revision petition has prayed for (a) to set aside the order dated 04.04.2012 passed by the ld. Trial Court; and (b) quash the criminal complaint against the Petitioners.</p>
	Court / Forum	District Session Judge Patiala House – New Delhi
	Amount Involved	No amount involved
	Next date of hearing	The next date of hearing is 02.02.2018.

11	Case No.	NACT/279/2016
	Complainant	Devi Dass Gopal Krishan Limited (a unit of Puri Oil Mills Limited)
	Accused	Manoj Kumar
	Nature of Case / Brief Facts of the Case	Dishonour of cheque due to insufficiency of funds
	Court / Forum	Chief Judicial Magistrate Moga
	Amount Involved	₹ 1,37,962/-
	Next date of hearing	21.02.2018

12	Case No.	NACT/269/2016
	Complainant	Devi Dass Gopal Krishan Limited (a unit of Puri Oil Mills Limited)
	Accused	Prem Kumar Sharma
	Nature of Case / Brief Facts of the Case	Dishonour of cheque due to insufficiency of funds
	Court / Forum	Chief Judicial Magistrate Moga
	Amount Involved	₹ 42,991/-
	Next date of hearing	21.03.2018



13	Case No.	NACT/280/2016
	Complainant	Devi Dass Gopal Krishan Limited (a unit of Puri Oil Mills Limited)
	Accused	Jeevan Surabhi Food India Ltd.
	Nature of Case / Brief Facts of the Case	Dishonour of cheque due to insufficiency of funds
	Court / Forum	Chief Judicial Magistrate Moga
	Amount Involved	₹ 53,108
	Next date of hearing	21.02.2018
14	Case No.	CMA No. 608/2013
	Petitioner/Complainant	Puri Oil Mills Limited
	Respondent / Defendant	Market Committee
	Nature of Case / Brief Facts of the Case	Dispute pertaining to license under Market Committee
	Court / Forum	Civil Judge Senior Division, Kangra
	Amount Involved	No Amount Involved
Next date of hearing	Next Date of hearing is 05.03.2018	
15	Case No.	CWP No. 2278/2017, CMP No. 8603 & 8604 of 2017
	Petitioner/Complainant	Puri Oil Mills Limited
	Respondent / Defendant	The Himachal Pradesh Electricity Regulatory Commission & Ors.
	Nature of Case / Brief Facts of the Case	<p>Civil Writ Petition under Article 226 of the Constitution of India, for issuance of appropriate writ, order or direction on the basis of submissions made hereinafter in favour of the petitioner and against the respondents to :-</p> <p>a) Quash and set aside paragraph 3(8) of the Renewable Power Purchase Policy 2015 dated 24.07.2015.</p> <p>b) Quash and set aside The Himachal Pradesh Electricity Regulatory Commission (Promotion of Generation from the Renewable Energy Sources and Terms & Conditions for Tariff Determination) (Third Amendment) Regulations 2017 issued vide notification no. HPERC/428 dated 31.03.2017.</p> <p>c) To hold that the PPA to be signed by the petitioner in future will be governed by the tariff to be determined by Regulations 2017 by the respondent commission.</p> <p>d) Call for the records of the case from respondents</p> <p>e) Allow any other relief deemed fit by this Hon'ble Court in favour of the petitioner and against the Respondents, in the peculiar facts and circumstances attending to the case and allow costs of the petition in favour of the petitioner and against the respondents.</p>
	Court / Forum	The High Court of Himachal Pradesh.
Amount Involved	Amount not ascertained	
Next date of hearing	Next Date of hearing is 05.03.2018.	
16	Case No.	137/131
	Petitioner/Complainant	Puri Oil Mills Limited
	Respondent / Defendant	Baljit Singh & Ors.



	Nature of Case	Case pertaining to Mussapur Land Demarcation filed by Puri Oil Mills Limited
	Court / Forum	Assistant Collector II Grade, Indri, Karnal
	Amount Involved	No Amount Involved
	Next date of hearing	Next Date of hearing is 19.01.2018.
17	Case No.	(69/2009/2007)
	Petitioner/Complainant	Puri Oil Mills Limited
	Respondent / Defendant	Ashwani Minocha
	Nature of Case	Execution of Decree on recovery suit
	Court / Forum	Civil Judge Sr. Division Cum ACMM Nurpur Dist. Kangra
	Amount Involved	₹ 7.15 Lacs (₹ 5.05 Lacs plus interest ₹ 2.10 Lacs) with future interest @18%
	Next date of hearing	Next Date of hearing is 20.02.2018.

**GOVERNMENT & OTHER KEY APPROVALS**

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. Except the approvals/NOC which are required to be taken by our Company as discussed in the below sections we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.

I. APPROVALS FOR THE ISSUE:**Corporate Approvals**

1. The Board of Directors have, pursuant to Section 64 (1) of the Companies Act 2013, by a resolution passed at its meeting held on July 22, 2017 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant Section 64(1) of the Companies Act, 2013, by a special resolution passed in the 4th Annual General Meeting held with a notice on September 16, 2017, authorized the Issue.

II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

1. Certificate of Incorporation dated September 5, 2013 issued by the Registrar of Companies, Himachal Pradesh in the name of “POM SEF Hydro Energy Limited” with Corporate Identity Number: U40109HP2013PLC000514.
2. Fresh Certificate of Incorporation dated July 15, 2015 issued by the Registrar of Companies Himachal Pradesh consequent upon change of name of our Company from ‘POM SEF Hydro Energy Limited’ to ‘POM Hydro Energy Limited’.

III. GENERAL APPROVALS

Our Company has obtained the following approvals from various tax authorities as set out below:

Sr. No.	Nature of License/ Approvals	Authority	Registration Number	Issue Date	Date of Expiry	License Holder's Name
1.	Permanent Account Number (PAN) under the Income Tax Act, 1961	Income Tax Department, Government of India	AAHCP4071C	September 5, 2013	Valid Until Cancelled	Company
2.	The Goods and Service Tax legislations of 2017	Under the Goods and Service Tax legislations of 2017	GSTIN 06AAHCP4071C 1ZP for Haryana	September 22, 2017	Valid Until Cancelled	Company



IV. LABOUR LAW RELATED APPROVALS/REGISTRATIONS:

Our Company has obtained the following approvals from various labour /employment authorities as set out below:

S. No.	Nature of License/ Approvals	Authority	Particulars of License/ Approvals	Issue Date	Date of Expiry	Status of License Holder's Name
1.	License to work as a Factory under the Factories Act, 1948 located at Mussapur, Village Tusang, Indri. Karnal, Haryana. No. of Workers to be employed in the factory not more than 8 (eight)	Chief Inspector of Factories Haryana, Chandigarh	Registration No. KNL-ONLINE-CHD-P-35	July 1, 2015	December 31, 2019 [Valid]	The Factory License still exists under the name of POML. POML has applied for change of name in the Company's name. <i>Note: Online application has already filed for change of name.</i>
2.	License to work as a Factory under the Factories Act, 1948 located at Khukhani, Village Thaska Khader, Radaur, Yamuna Nagar, Haryana No. of Workers to be employed in the factory not more than 7	Chief Inspector of Factories Haryana, Chandigarh/ Factories Act, 1948	Registration No. YNR-ONLINE-CHD-P-34	July 1, 2015	December 31, 2019 [Valid]	The Factory License still exists under the name of POML POMLhas applied for change of name in the Company name. <i>Note: Online application has already filed for change of name.</i>
3.	License to work as a factory under the Factories Act, 1948 located at Chakshi, Village Pulga, P.O Barshani, Tehsil and District Kullu, Himachal Pradesh. No. of Workers to be employed in the factory not more than 20	Chief Inspector of Factories Himachal Pradesh /Factories Act, 1948	Registration No. L&E (Fac) 9/2015739/1770	April 01, 2017 (renewed)	December 31, 2021 [Valid]	The Factory license still exists in the name of POML. The Company has represented that POML has not applied for name change in the Company's name as the approval for transfer of Chakshi Project to the Company has not yet been granted by Himurja therefore the application for change of name for factory license has also not been made.
4.	E.S.I Registration under Employees State Insurance Act, 1948 for Mussapur project located at Village Tusang, Tehsil Indri, Karnal, Haryana	Assistant/Deputy Director, ESI Corporation	24141538160020905	May 18, 2016	Valid Until Cancelled	Company



5.	E.S.I Registration under Employees State Insurance Act, 1948 for Khukhani project located at Village Thaska, Khader, Tehsil Radaur, Yamunanagar	Assistant/Deputy Director	2414153816 0010905	May 18, 2016	Valid Until Cancelled	Company
6.	Employees Provident Fund (“EPF”) registration under Employees Provident Funds and Miscellaneous Provisions Act, 1952 located at Gandhi Road, Moga, Punjab	Assistant Provident Fund Commissioner	PBBTI1460 516000	NA	Valid Until Cancelled	Company

Note #1:

Our Company is not required to obtain ESI registration for our Chakshi project as we do not fall under the implemented areas as defined for applicability of ESI in State of Himachal Pradesh.

V. PROJECT RELATED APPROVALS:

Before commencing with generation of power, stages of development/agreements with the government authorities are required to be obtained at various stages. The stages of the projects are discussed in brief as below:

A. Stages of Agreements/ Projects in Himachal Pradesh

Stage I: The Company to sign a MOU with Himurja, a nodal agency in the state of Himachal Pradesh.
Stage II: Company has to enter into a Pre- Implementation Agreement (PIA”) and an Implementation Agreement (“IA”) with Directorate of Energy, Government of Himachal Pradesh
Stage III: The Company to file DPR with Directorate of Energy, Government of Himachal Pradesh. Company will take TEC from Directorate of Energy, Government of Himachal Pradesh i.e clearance of DPR.
Stage IV: Company to get NOC from Pollution, Forest, Wild Life, PWD, Fishery. Gram Panchyat, Fire and Factory and achieve financial closure.
Stage V: Company to sign PPA with state Discom namely H.P. State Electricity Board/ Third party Sale.
Stage VI: Subject to the Force Majeure events Project to be commissioned within 36 months from the date of signing of the IA. The Company to sign connection agreement with electricity board. Company to obtain certificate from electricity board for commissioning of the project and intimate Himurja in this regard.



B. Stages of Agreements/ Projects in Haryana

Stage I:	The Company to sign a Memorandum of Understanding (“MOU”) with Hareda& Irrigation Department, Haryana.
Stage II:	Company to prepare a Detailed Project Report (“DPR”) within 4 months of signing of the MOU and submit the same to HAREDA for approval
Stage III:	Company to file General Layout of design with Irrigation Department, Haryana and get approval of the same.
Stage IV:	Company to get NOC from State Pollution Control Board, Forest, Fishery, Grampanchayat, Town and Country Planning, Electrical, Fire and Factory and achieve financial closure.
Stage V:	Company to sign Power Purchase Agreement (“PPA”) with Discom namely Haryana Power Purchase centre/ Third party sale.
Stage VI:	Project to be commissioned within 30 months from the date of signing of the MOU subject to extension by HAREDA Company to obtain certificate from electricity deptt. For commissioning of the project and intimate Hareda in this regard.

Below is the status of approvals for various projects of the Company:

A. Commissioned Projects:

Sr. No.	Name of the Hydro Power Projects & Date of Commissioning	Capacity	Location	Details of the Govt. NOCs for transfer of Hydro Power Projects from our Promoter to the Company	Status of the Government approvals for transfer
1.	Chakshi Project Commissioned on February 22, 2012	2.0 MW	Village Pulga, Distt. Kullu, Himachal Pradesh	HP Govt. Energy Development Agency (“Himurja”) vide letter No. Himurja/ SHP-III/POM (167)/2001-16939, dated December 17, 2015 has requested POML to provide certain documents as mentioned in the said letter. Pursuant to furnishing the following requested documents, Himurja. may grant approval to POML for transfer of the said Chakshipower project in the name of the Company. This transfer is under the policy and provisionally accorded.	In principle approval granted. Puri Oil Mills Limited vide letter dated 26.10.2015 requested HIMURJA to transfer the Chakshi Project to its subsidiary i.e. the Company. HIMURJA vide Letter No. HIMURJA/ SHP-III/POM (167)/2001-16939, dated December 17, 2015 has requested POML to provide certain documents as mentioned in the said letter. The Company vide letter dated 14.5.2016 submitted all documents to the HIMURJA. The Company is awaiting the final approval from the HIMURJA for the transfer of project from Puri Oil Mills Limited to the Company. On April 10, 2017 HIMURJA has demanded shareholding of



					Company on 15.5.2001 & 12.9.2006 which is submitted to HIMURJA vide letter dated 15.04.2017 and 04.07.2017.
2.	Mussapur Commissioned on June 17, 2011	1.4 MW	Augmentation Canal (RD 30.102 KM and 27.85 KM clubbed) Village Radaur, Distt. Karnal, Haryana	Approval accorded by the Govt. of Haryana Renewable Energy Development Agency (“HAREDA”) vide Ref no. 8703-06 dated March 29, 2016 for implementing the project through the Company.	Approval Granted.
3.	Khukhani Commissioned on September 30, 2011	1.4 MW	Augmentation canal (RD 19.916 Km and 16.836 Km clubbed) Village Thaska Khadar, District Yamuna Nagar, Haryana.	Approval accorded by the HAREDA vide Ref no. 8703-06 dated March 29, 2016 for implementing this project through the Company.	Approval Granted.

B. Non Commissioned Projects:

Sr. No.	Name of the Hydro Power Projects & Date of Commissioning	Capacity	Location	Details of the Govt. NOCs for transfer of Hydro Power Projects from our Promoter to our Company	Status of the Government approvals for transfer
1.	UHL	14 MW	Village Barot, Distt. Mandi, Himachal Pradesh	Approval accorded vide Letter No. HPDoE/CE (Energy)/ UHL HEP/2017-7796-7813, dated 01.01.2018	Approval Granted. Project has been transferred. The Tripartite agreement has been signed on 29.12.2017.
2.	KilhiBahl	7.5 MW	12 Km from BaijNath Distt. Kangra, Himachal Pradesh	Approval accorded vide Letter No. HPDOE/CE (Energy)/ KilhiBahl HEP/2017-7814-7831, dated 01.01.2018	Approval Granted. Project has been transferred. The Tripartite agreement has been signed on 29.12.2017
3.	Khajuri	2.4 MW	Augmentation canal, Khajuri RD-7.17 KM to 13.56 KM at Village ThaskaKhader Block Radhour Tehsil Jagdhari & Distt. Yamunanagar,	Nil	The DPR for the revised capacity 2.150 for the project Khajuri has been filed with the concerned department. The approval is awaiting



			Haryana		
	Mainmati	2.3 MW	Augmentation Canal (RD-34.981 KM to 48.187 KM on Augmentation Canal) Tehsil-Indri, Distt.-Karnal, Haryana	Nil	The DPR for the revised capacity 2.1 for the project Mainmatti has been filed with the concerned department. The approval is awaiting.
	Mussapur	0.7 M.W. (Capacity enhancement)	Augmentation Canal (RD 30.102 KM and 27.85 KM clubbed) Village Radaur, Distt. Karnal, Haryana	Nil	No approval is required since there is no separate MOU.
	Khukhani	0.7 M.W. (Capacity enhancement)	Augmentation canal (RD 19.916 Km and 16.836 Km clubbed) Village Thaska Khadar, District Yamuna Nagar,	Nil	No approval is required since there is no separate MOU.

Status of Non Commissioned Project:

Sr. No.	Name of the Hydro Power Projects	Status
1.	14 M.W. UHL Small Hydro Power Project (“SHP”) at Mandi, H.P.	Detailed Power Project (“DPR”) approved; Revised DPR filed and approval. Techno Economic Clearance (“TEC”) received; Revised TEC to be received IA & SIA have been signed Following No Objection Certificate (“NOCs”) received: (a) Gram Panchayat (b) Fisheries (c) PWD (d) IPH (e) Wildlife (f) Forest - Final Clearance from MOEF pending Tenders finalized. Tender advertisement published in the news paper.
2.	7.5 M.W. KilhiBehl SHP at Distt. Kangra,	DPR filed, Techno-Economic viability under



	H.P.	assessment. Pre -IA has been signed.
3.	2.3 M.W. Mainmati SHP at Distt. Karnal, Haryana	Revised DPR has been filed for 2.1, and approval awaited. MOU signed. Extension granted upto July 26, 2019.
4.	2.4 M.W. Khajuri SHP, Distt. Yamuna Nagar, Haryana	Revised DPR has been filed for 2.15, approval awaited. MOU signed. Extension granted up to October 11, 2017
5.	0.7 M.W. Mussapur 3rd unit at Distt. Karnal, Haryana	Civil work done. Draft tube installed. Further implementation pending due to inadequate discharge. Extension granted up to November 16, 2017.
6.	0.7 M.W. Khukhani 3rd unit at Distt. Yamuna Nagar, Haryana	Civil work done draft tube installed. Further implementation pending due to inadequate discharge. Extension granted up to November 16, 2017

IV. BUSINESS/ OPERATIONS RELATED APPROVALS:

A. Project Site: Mussapur Project, Haryana:

Sr. No.	Nature of Registration/ License	Issuing Authority	Registration License No.	Validity From/Issue Date	Validity Till	License Holder's Name
1.	DPR APPROVAL LETTER	Director, Renewable Energy Department &Hareda	Memo No. HAREDA/2007/4572-76 dated November 2, 2007	November 2, 2007	Approval is granted till the life of the Project.	Name change application is not required to be made for DPR Approval as this is a one-time clearance and is given at the initial stages only.
2.	NOC for change of land use for setting up the hydro power project (Town and Country Planning)	District Town Planner, Karnal	Nil	February 22, 2011	NOC is granted till the life of the Project.	Name change application not made by Puri Oil Mills Limited as this NOC was required before



						setting up the Hydro Power Project. This was a pre stage approval.
3.	Fire NOC	Fire Station Officer, Karnal	Nil	May 7, 2017	May 6, 2018	New NOC is in the name of the Company
4.	Certificate of Commissioning and Synchronization	S.D.O.(Operation), Sub Division, UHBVNL, GarhiBirbal	Nil	June 17, 2011	This certificate is granted till the life of the Hydro Power Project.	Name change application is not required as commissioning certificate is a one time approval.
5.	Approval of Layout Design/ Drawings of the Hydro Project	Executive Engineer, Indri W.S.DivnKarnal	Nil	March 24, 2008	Approval is granted till the life of the Hydro Project.	Name change application not required as this approval is required before setting up the said power project.
6.	NOC from Gram Panchayat for installing 1.4 MW small hydro power project which comes within the vicinity of village Tusang, Block Indri, Dist. Karnal	Sarpanch, Gram Panchyat, Village Tusang, Karnal	Nil	December 4, 2007	NOC is granted till the life of the Project.	Puri Oil Mills Limited vide letter dated June 9, 2016 has intimated about HAREDA Approval for transfer of the project to the Company.
7.	Approval of Chief Electrical Inspector	Chief Electrical Inspector, Haryana, Chandigarh	Nil	June 14, 2011	NOC is granted till the life of the Project.	Puri Oil Mills Limited vide letter dated June 9, 2016 intimated about HAREDA Approval for transfer of the project to the Company



8.	Land Acquisition for 1.4 MW Mussapur small hydro power project at Village Tusang, Tehsil – Indri, District – Karnal	HAREDA		Nil	No Validity	The conveyance deed has not been executed between HAREDA, POML/Company
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B. Project Site: Khukhani Project, Haryana

Sr. No.	Nature of Registration/ License/Governi ng Act	Issuing Authority	Registratio n License No.	Validity From/Issue Date	Validity Till	Licensee Holder's Name
1.	DPR Approval	Director, Renewable Energy Department &Hareda	Memo No. HAREDA/2007/4582-86 dated November 2, 2007	November 2, 2007	Approval is granted till the life of the Project.	Name change application is not required to be made for DPR Approval as this is a one-time approval and is given at the initial stages only.
2.	NOC for change of land use for setting up the hydro power project (Town and Country Planning)	District Town Planner, Yamuna Nagar	Nil	September 5, 2008	NOC is granted till the life of the Project.	Name change application not made by our Promoters as this NOC was required before setting up the power project. This was a pre stage approval.
3.	Fire NOC	Fire Station Officer, Yamuna Nagar	Nil	1.4.2017	31.3.2018	Renewal is granted in the name of the Company
4.	Certificate of Commissioning and Synchronization	S.D.O (Operation) UHBVNL, Garhi Birbal	Not Specified	September 30, 2011	This certificate is granted till the life of the project.	Name change application is not required as commissioning certificate is one time approval.



5.	Approval of Layout Design/Drawings of the hydro project	Executive Engineer, Indri W.S.DivnKarnal	Not Specified	March 25, 2008	Approval is granted till the life of the Project.	Name change application not required as this approval is required before setting up the said power project.
6.	NOC from Gram Panchayat for installing 1.4 MW small hydro power project which comes within the vicinity of village Thaska Block Radaur, Dist. Yamuna Nagar	Sarpanch, Gram Panchayat, Village Thaska, Yamuna Nagar	Not Specified	December 4, 2007	NOC is granted till the life of the Project.	Puri Oil Mills Limited <i>vide</i> letter dated June 9, 2016 intimated about HAREDA Approval for transfer of the project to the Company.
7.	Approval of Chief Electrical Inspector	Chief Electrical Inspector, Haryana, Chandigarh	Not Specified	June 14, 2011	NOC is granted till the life of the Project.	Puri Oil Mills Limited <i>vide</i> Letter dated June 9, 2016 has intimated about HAREDA Approval for transfer of the project to the Company.

C. Project Site: For Chakshi Project*

Sr. No.	Nature of Registration/ License	Issuing Authority	Registration License No./ Letter No.	Validity From/Issue Date	Validity Till
1.	TEC	Chief Engineer (Projects), HPSEB	Memo No. HPSEB/CE(P)/C C-Chakshi/2005 90-99	April 20, 2005	NOC is granted till the life of the project.
2.	Fire NOC	Chief Fire Officer, Himachal Pradesh, Shimla – 2	HOM(FS) (HQ) 6-1076-XL-Sml NOC- 7592dated 19.9.2016	September 19, 2016	15.9.2018 Renewed
3.	Approval and NOC from Gram Panchayat for the construction of	Secretary Gram PanchyatBarshaini, District Kullu	Nil	December 11, 2004	NOC is granted till the life of the



	ChakshiNala Hydro Electric Project (near village Pulga)				Project.
4.	NOC for the construction of hydro power project on ChakshiNalla w.r.t proposed site being away from the public works department	Executive Engineer, Kullu Division No.I, HP, PWD, Kullu	Nil	March 4, 2005	NOC is granted till the life of the project.
5.	NOC for the construction of Chakshi Power Project w.r.t. water availability	Executive Engineer, IPH Division No. II, Kullu at Bhunter	Nil	January 18, 2006	NOC is granted till the life of the Project.
6.	Approval for Energization of Chakshi Electric Project (2MW)	Chief Electrical Inspector, H.P. Govt.	Nil	January 31, 2012	NOC is granted till the life of the project.
7.	Certificate of Commissioning and Synchronization	HPSEB	Not Specified	February 27, 2012	This certificate is granted till the life of the project.

***Note #2:**

Final Approval for transfer of Chakshi Project from our Promoter to our Company has not yet been granted by HIMURJA. Therefore, application for change of name for licenses, approvals and NOC's has not yet been made by our Promoter in our Company's name. All the licenses, approvals and NOC's still stands in the name of our Promoter.

VI. ENVIRONMENTAL LAWS RELATED APPROVALS/REGISTRATIONS:

A. Project Site: Chakshi Project:

Sr. No.	Nature of Registration/ License/Governing Act	Issuing Authority	Registration License No.	Validity From/Issue Date	Validity Till
1.	NOC from Fisheries Department for setting up Chakshi power project on ChakshiNallah in Kullu District.	Director -cum- Warden of Fisheries, Himachal Pradesh	Nil	June 23, 2006	NOC is granted till the life of the project.
2.	Forest Clearance under Forest (Conservation) Act, 1980 and Forest (Conservation) Rules, 2014	Forest Officer	Nil	March 28, 2007	NOC is granted till the life of the Project
3.	Certificate under Wildlife	Divisional	Nil	July 15, 2004	Certificate is



	(Protection) Act, 1972 w.r.t the project not falling in the sanctuaries situated in the jurisdiction of wildlife division Kullu	Forest Officer, Wildlife Division, Kullu			granted till the life of the Project.
4.	Consent to Establish (“CTE”) under Water (Prevention and Control of Pollution) Act, 1974 & Air (Prevention and Control of Pollution) Act, 1981	Environmental Engineer	Nil	January 29, 2008	Project commissioned on 22.2.2012 hence renewal not required
5.	Consent to Operate (“CTO”) under Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981	Senior Environmental Engineer, H.P State Pollution Control Board	Nil	November 11, 2014 to March 31, 2014. Renewed once again and now valid as mentioned.	March 31, 2018

**Note: #3:*

Final Approval for transfer of Chakshi Project from POML to the Company has not yet been granted by Himurja. Therefore, application for change of name for licenses, approvals and NOC’s has not yet been made by Puri Oil Mills Limited in the Company’s name. All the licenses, approvals and NOC’s still stands in the name of Puri Oil Mills Limited.

B. Project Site: Mussapur Project:

Sr. No.	Nature of Registration/ License	Issuing Authority	Registration License No.	Validity From/Issue Date	Validity Till	License Holder’s name
1	Forest Clearance under Forest (Conservation) Act, 1980 and Forest (Conservation) Rules, 2014	Forest Custodian Officer	Nil	October 12, 2009	NOC is granted till the life of the Project	Our promoter vide letter dated June 9, 2016 has applied for change of name of the NOC in the Company’s name.
2	Extension of CTO under Water/ Air/ HWM Act	Environmental Engineer	Not Specified	<u>Water Act</u> July 25, 2012	<u>Water Act</u> March 31, 2016 (Expired)	The Company has represented that CTO is



				<p><u>Air Act</u></p> <p>July 25, 2012</p> <p><u>HWM Act</u></p> <p>July 25, 2012.</p>	<p><u>Air Act</u></p> <p>March 31, 2016 (Expired)</p> <p><u>HWM Act</u></p> <p>Expired on March 31, 2013. Further renewed upto March 31, 2016.</p> <p><i>Our Company is now not required to renew the CTO. The Ministry of Environment and Forests (“MOEF”) vide press release dated March 5, 2016 has re categorized industries wherein industries falling under the new category of “white industries” are not required to take environmental clearances. Under the white category list, sr. no 35 “mini hydel power project generating less than 25 MW electricity is exempted to seek environmental clearances.</i></p>	<p>not required as the project falls in the White Category.</p>
2	NOC from Fisheries Department for construction of Power Project	Commissioner & Secretary to Haryana Govt., Fisheries Department	II	September 14, 2009	NOC is granted till the life of the Project	Our promoter vide letter dated June 9, 2016 has applied for change of name of the NOC in the Company’s name

***Note #4:**

It may be noted that the Company has represented that the following certificate/policy is not required for Mussapur project as it is not applicable on them unlike Chakshi project:

- i. *Certificate under Wildlife (Protection) Act, 1972;*
- ii. *CTE under Water (Prevention and Control of Pollution) Act, 1974 & Air (Prevention and Control of Pollution) Act, 1981;*



- iii. CTO and authorization under Water Act, Air Act, and Hazardous Waste (Management Handling and Transboundary Movement) Rules, 2008;and
- iv. Rehabilitation & Resettlement of displaced families by land Acquisition- This policy is formulated by the respective State Government. On enquiry, the Company informed that no such policy has been formulated by the Government yet.

C. Project Site: Khukhani Project:

Sr. No.	Nature of Registration/ License/ Governing Act	Issuing Authority	Registration License No.	Validity From/ Issue Date	Validity Till	License Holder's name
1.	Extension of CTO under Water/ Air/ HWM Act	Environmental Engineer	Not Specified	<p><u>Water Act</u> July 25, 2012</p> <p><u>Air Act</u> July 25, 2012</p> <p><u>HWM Act</u> July 25, 2012.</p>	<p><u>Water Act</u> March 31, 2016 (Expired)</p> <p><u>Air Act</u> March 31, 2016 (Expired)</p> <p><u>HWM Act</u> Expired on March 31, 2013. Further renewed upto March 31, 2016.</p> <p><i>Our Company is now not required to renew the CTO. The Ministry of Environment and Forests (“MOEF”) vide press release dated March 5, 2016 has re categorized industries wherein industries falling under the new category of “white industries” are not required to take environmental clearances. Under the white category list, sr. no 35 “mini hydel power project generating less than 25 MW electricity is exempted to seek environmental clearances.</i></p>	The Company has represented that CTO is not required as the project falls in the White Category.
2.	Forest Clearance under Forest (Conservation) Act, 1980 and Forest	Forest Officer	Nil	December 17, 2009	NOC is granted till the life of the Project.	Our Promoter vide letter dated June 9, 2016 has applied for change of name of the NOC in our



Sr. No.	Nature of Registration/ License/ Governing Act	Issuing Authority	Registration License No.	Validity From/ Issue Date	Validity Till	License Holder's name
	(Conservation) Rules, 2014					Company's name.
3.	NOC from Fisheries Department for construction of Khukhani Power Project	Commissioner & Secretary to Haryana Govt. Fisheries Department	Nil	September 14, 2009	NOC is granted till the life of the Project.	Our Promoter vide letter dated June 9, 2016 has applied for change of name of the NOC in our Company's name.

***Note #5:**

It may be noted that that the civil aviation clearance from National Airport Authority is not required for Khukhani, Mussapur and Chakshi Projects. Under the respective Power Purchase Agreement's (Article 6.1 (x)) for Khukhani it is stated that clearances from National Airport Authority is not required.

VII. INTELLECTUAL PROPERTY RELATED APPROVALS/ REGISTRATIONS:

a. The Trade Marks Act, 1999

The Company has not made any application for registration of any trademarks nor do they own any registered trademark. Furthermore, the Company has confirmed that it has not obtained or granted any license to use a trademark.

b. The Copyright Act, 1957

The Company has not made any application for registration of any copyrightable subject matter nor do they own any registered copyright. Furthermore, the Company has confirmed that it has not obtained or granted any license to use a copyright.

c. The Patents Act, 1970

The Company does not own any patent right and has also never filed any application for grant of patent. The Company has also confirmed that the Company does not own any patentable invention. Furthermore, the Company has represented that it has no license with respect to any patent right owned by any third party.

d. The Designs Act, 2000

The Company has not filed any application for registration of any design, under the Designs Act, 2000, nor do they own any registered design in its name.



OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue of Equity Shares has been authorized pursuant to a resolution of the Board of Directors at their meeting dated July 22, 2017. The shareholders have, at the 4th Annual General Meeting of our Company held on September 16, 2017, approved the issue.

The Company has obtained in principle approval from BSE Limited vide Letter dated [●] for listing of equity shares on the SME platform of the BSE. BSE is the Designated Stock Exchange.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES:

Our Company, its Directors, our Promoters, or their relatives (as defined under the Companies Act), our Promoter Group and our Group Entities, 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.

Neither our Company, nor our Promoters, or the relatives (as defined under the Companies Act) of our Promoters or Group Entities have been identified as willful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

The companies with which our Promoters, our Directors or persons in control of our Company are/ were associated as promoters, directors or persons in control 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.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

ASSOCIATION WITH SECURITIES MARKET:

We confirm that none of our Directors are associated with the Securities Market in any manner and no action has been initiated against any of our Directors or any entity of our Directors by SEBI at any time except as stated under the chapters titled “Risk Factors”, “Our Promoter, Promoter Group and Group Companies” and “Outstanding Litigations and Material Developments” beginning on page nos. 17, 137 and 189 respectively, of this Draft Prospectus.

ELIGIBILITY FOR THE ISSUE

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in terms of Regulation 106M(2) of chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, as the post issue capital does not exceed ₹ 25 crores. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

We confirm that:

- 1) In accordance with regulation 106(P) of the SEBI ICDR Regulations, this Issue will be 100% underwritten and that the Lead Manager (LM) will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 57 of this OFFER DOCUMENT.
- 2) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded within such time which shall be prescribed by the SEBI. If such money is not repaid within eight



days from the date our Company becomes liable to repay it, than our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed u/s 40 of the Companies Act, 2013.

- 3) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of OFFER DOCUMENT along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the OFFER DOCUMENT with Stock Exchange and the Registrar of Companies.
- 4) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 57 of this OFFER DOCUMENT.

We further confirm that we shall be complying with all other requirements as laid down for such issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

- 5) As on date of this Draft Prospectus, our Company has a paid up capital of ₹ 8.05 Crores and Post Issue Paid up Capital will be ₹ 10.75 Crores.
- 6) Our Company has Net Tangible Assets of ₹ 24.59 Crores as per September 30, 2017 Audited Financial Results.
- 7) The Net Worth (excluding Revaluation Reserves) of our Company is ₹ 30.97 Crores as per September 30, 2017 Audited Financial Results.
- 8) The Company shall mandatorily facilitate trading in demat securities and is in the process of entering in to an agreement with both the depositories.
- 9) The Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR).
- 10) There is no winding up petition against the company, which has been admitted by the court of competent jurisdiction or a liquidator has not been appointed.
- 11) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- 12) There has been no change in the Promoter(s) of the Company in the preceding one year from the date of filing application to BSE for listing on SME segment.
- 13) We are not a Stock / Commodity Broking Company since incorporation.
- 14) We are not a Finance Company since incorporation.
- 15) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.
- 16) We have a website: www.pomhydroenergy.com

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.



As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

EXPERT OPINION:

Except the letters dated January 8, 2018 in respect of the Auditor's Report and Statement of Tax Benefits issued by M/s Amit Ray & Co, Chartered Accountants, Statutory Auditors of the Company, the Company has not obtained any expert opinions.

MINIMUM SUBSCRIPTION

If our Company does not receive (i) the minimum subscription of 90% of the Issue within the Issue Period; and/or (ii) a subscription in the Issue equivalent to the minimum number of securities as specified under Rule 19(2)(b)(ii) of the SCRR, including devolvement of Underwriters, if any within 60 (sixty) days of from the date of closure of the issue, our Company shall refund the entire subscription amount received, within period as prescribed under Regulation 14 of the SEBI ICDR Regulations. If there is a delay beyond eight days from the date of closure of the issue, the prescribed period, our Company shall pay interest as prescribed under Section 39 read with Rule 11 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013.

For Information, see "Issue Structure- Minimum Subscription" on page 250 of this Offer Document.

CHANGE IN AUDITORS OF THE COMPANY DURING LAST TWO YEARS

Name	Address	Date/year of Appointment/ Resignation	Auditor of the Company since (in case of resignation)	Remarks
M/s Vatta and Associates, Chartered Accountants	814, Vasant Vihar, Opp. Rashtriya Awdh Vidhalya, Punjab - 144003	Appointment – September 29, 2015 Resignation- March 16, 2016	Since Incorporation	-
M/s Amit Ray & Co, Chartered Accountants	5-B, Sardar Patel Marg, Civil Lines, Allahabad, Uttar Pradesh – 211001.	March 17, 2016	N.A.	Current Statutory Auditors of the Company.

For more information on the Statutory Auditors, see "General Information" on page 53 of this Draft offer document.

UTILIZATION OF ISSUE PROCEEDS

For Information, see "Terms of the Issue- Utilisation of issue Proceeds" on page 231 of this offer document.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE



CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, KEYNOTE CORPORATE SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, KEYNOTE CORPORATE SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] 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 THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD**



/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.- COMPLIED WITH

- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE “MAIN OBJECTS” LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE.**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:**



- A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER, AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE– NOTED FOR COMPLIANCE.
 14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
 15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
 16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR (PLEASE SEE “ANNEXURE A” FOR FURTHER DETAILS).
 17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKERS ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the RoC in terms of section 26, 30 and 32 of the Companies Act, 2013.

ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/



ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

- 3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**
- 4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER. –NOTED FOR COMPLIANCE**
- 5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS.**
- 6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 OR SECTION 38(1) OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN OFFER DOCUMENT.

DISCLAIMER STATEMENT FROM OUR COMPANY, AND THE LEAD MANAGER:

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than in this OFFER DOCUMENT or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.pomhydroenergy.com would be doing so at his or her own risk.

The Managers accept no responsibility, save to the limited extent as provided in the issue Agreement entered into between the Managers, our Company, and the underwriting Agreement to be entered into between the underwriters and our Company

All information shall be made available by our Company, and the Managers to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Our Company, its Directors and Officers, and any member of the Syndicate are not liable for any failure in downloading the Bids due to faults in a software/ hardware system or otherwise.

The Managers and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, affiliates or associates or group Companies or third parties in the ordinary course of business and have engaged, or may in future engage, in investment banking transactions or other financial services with our Company, the Selling Shareholder, affiliates or associates or third parties, for which they have received, and may in future receive, compensation.



Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated September 28, 2017, the Underwriting Agreement dated [●] entered into among the Underwriter and our Company.

Our Company and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, *etc.*

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not Issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

DISCLAIMER IN RESPECT OF JURISDICTION:

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakhs, pension funds with minimum corpus of ₹ 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The offer document does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this OFFER DOCUMENT comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Himachal Pradesh.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the OFFER DOCUMENT may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the OFFER DOCUMENT nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.



DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE Limited:

As required, a copy of this Draft Prospectus shall be submitted to SME Platform of the BSE Limited. The Disclaimer Clause as intimated by BSE Limited to us, post scrutiny of this OFFER DOCUMENT, shall be included in the OFFER DOCUMENT prior to the ROC filing.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT:

The Equity Shares have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bidders may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of the jurisdiction.

FILING:

The OFFER DOCUMENT shall not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Reg. 106 (O) (1) of ICDR Regulations, 2009. However, a copy of the offer document shall be filed with SEBI at Plot No. C 4-A , G Block, Near Bank of India, Bandra- Kurla Complex, Bandra East, Mumbai, Maharashtra 400051. A copy of the OFFER DOCUMENT, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the ROC, HP situated at Corporate Bhavan, 1st Floor, Plot No. 4-B, Madhya Marg, Sector 27B, Chandigarh-160019.

LISTING

Application have been made to SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being offered and sold in the offer on its SME Platform after the allotment in the Offer [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by [●] our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within fifteen days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within 6 Working Days of the Issue Closing Date. The Company has obtained approval from [●] *vide* letter dated [●] to use the name of [●] in this Issue Document for listing of equity shares on SME Platform of [●].



The price information of past issues handled by the Merchant Banker Keynote Corporate Services Ltd. is as follows:

Sr No	Issue Name	Issue Size (₹ Cr.)	Issue price (₹)	Listing date	Opening price on listing date (₹)	+/-% change in closing price,[+/-% change in closing benchmark]-30 th calendar days from listing	+/-% change in closing price,[+/-% change in closing benchmark]-90 th calendar days from listing	+/-% change in closing price,[+/-% change in closing benchmark]-180 th calendar days from listing
1.	Shree Pushkar Chemicals and Fertilizers Limited	70.00	65	10/09/2015	60.05	# 12.69%, [4.56%]	44.57%, [-2.25%]	81.84%, [-3.89%]
2.	Perfect Infraengineers Limited (SME Platform – NSE EMERGE)	5.77	23	20/11/2015	26.00	# -7.97%, [-0.28%]	# -35.26%, [-8.07%]	# -25.70%, [-0.93%]
3.	Steel City Securities Limited (SME Platform – NSE EMERGE)	26.99	55	17/02/2017	55.00	# 35.13%, [3.46%]	23.95%, [6.89%]	# 94.12%, [12.37%]

* The Base price to calculate +/- % Change in Closing Price and Closing Benchmark, 30th / 90th / 180th Calendar Days from Listing is the — “Closing Price at the Date of Listing”

Since the scrip were not traded on the 30th / 90th / 180th day, the closing price data of the scrip and the benchmark index of the next trading day has been taken into consideration.

N.A – Not Applicable.

Summary statement of price information of past issues handled by Keynote Corporate Services Limited

Financial Year	Total no. of IPOs	Total Funds Raised (₹ Cr.)	Nos. of IPOs trading at discount- 30 th calendar days from listing			Nos. of IPOs trading at premium- 30 th calendar days from listing			Nos. of IPOs trading at discount- 180 th calendar days from listing			Nos. of IPOs trading at premium- 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2015-16	2	75.77	Nil	Nil	1	Nil	Nil	1	Nil	1	Nil	1	Nil	Nil
2016-17	1	26.99	Nil	1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil



Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer to the websites of the Lead Manager- www.keynoteindia.net

IMPERSONATION:

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of section 38 of the Companies Act 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 of Companies Act, 2013.

Section 447 of Companies Act, 2013 deals with 'Fraud' and prescribed a punishment of "imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which, may extend to three times the amount involved in the fraud".

CONSENTS:

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary and Compliance Officer, the Auditors, the Banker to the Issue; and (b) Lead manager, Underwriters, Market Makers Registrar to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Offer Document with the ROC, as required under Section 32 of Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Offer Document for registration with the ROC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Offer Document and such consent and report is not withdrawn up to the time of delivery of this Offer Document with [●].

EXPERT TO THE ISSUE:

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

- 1) Report of the Statutory Auditor on Statement of Tax Benefits

EXPENSES OF THE ISSUE:

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, see the chapter "Objects of the Issue" beginning on page 72 of the offer document.

DETAILS OF FEES PAYABLE:

Fees Payable to the Lead Manager:

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.



Fees, brokerage and Selling Commission Payable to the Lead Manager:

The total fees payable to the Lead Manager (including underwriting commission and selling commission) is as stated in the MOUs dated January 5, 2018 the Underwriting Agreement dated [●] and the Market Making Agreement dated [●] among our Company and the Lead Manager and other parties, a copy of which will be made available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue:

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated September 16, 2017, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/under certificate of posting.

Fees Payable to Others:

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION:

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

PREVIOUS RIGHTS AND PUBLIC ISSUES DURING THE LAST TWO YEARS:

We have not made any previous rights and/or public issues during the last three years, and are an “Unlisted Issuer” in terms of the SEBI ICDR Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH:

Except as stated in the chapter titled “Capital Structure” beginning on page 62 of this OFFER DOCUMENT, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES:

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

STOCK MARKET DATA OF OUR EQUITY SHARES:

The Equity Shares are not listed on any stock exchange and thus there is no stock market data for the same.

OTHER DISCLOSURES:

Our Directors have not purchased or sold any securities of the company during a period of six months preceding the date on which this offer document is filed with SEBI.



PROMISE VERSUS PERFORMANCE FOR OUR COMPANY:

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY:

As on the date of this offer document, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES:

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES:

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY:

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationships Committee Shareholders of the Board vide resolution passed at the Board Meeting. For further details, please refer to the chapter titled “Our Management” beginning on 125 of this offer document.

Our Company has appointed Mr. Rajesh Kumar Keshry as the Company Secretary and Compliance Officer and he may be contacted at the following address:

POM Hydro Energy Limited,

302, Jyoti Sikhar Building, 8 District Centre, Janak Puri, New Delhi – 110058

Tel No:011-64300125

Fax No:91-11-25591222

Email: rkeshry@purioilmills.com

Website: www.pomhydroenergy.com



Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

STATUS OF INVESTOR COMPLAINTS:

We confirm that we have not received any investor complaint during three years preceding the date of this offer document and hence there are no pending investor grievances.

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS:

There have been changes in the statutory auditors of our Company in the last three financial years.

CAPITALISATION OF RESERVES OR PROFITS:

Save and except as stated in the chapter titled “Capital Structure” beginning on page 62 of this offer document, our Company has not capitalized its reserves or profits at any time since inception.

REVALUATION OF ASSETS:

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY:

Other than as disclosed in this offer document, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this offer document.

Except as stated elsewhere in this offer document, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made thereunde.



SECTION VII – ISSUE RELATED INFORMATION TERMS OF THE ISSUE

The Equity Shares being issued pursuant to the Issue are subject to the provisions of the Companies Act, the SEBI Regulations, the SCRR, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Application Form, the Allocation Advice, the Listing Agreement to be entered into with the Stock Exchange (the “SEBI Listing Regulations”) and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI and/or any other authorities while granting its approval for the Issue.

Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this Issue shall use only Applications Supported by Blocked Amount (ASBA) facility for making payment i.e just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms.

Authority for the Present Issue

The Issue has been authorized by the Board of Directors of our Company vide a resolution passed at its meeting held on July 22, 2017 and by Special Resolution passed by the shareholders at an Annual General Meeting held on September 16, 2017.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *paripassu* in all respects with the existing Equity Shares of our Company including rights in respect of the dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends, voting rights and other corporate benefits, if any, declared by our Company after the date of Allotment. For further information, please refer to the section “*Main Provisions of the Articles of Association*” on page 268 of this Draft Prospectus.

Mode of Payment of Dividend

Our Company shall pay dividends to our shareholders in accordance with the provisions of the Companies Act, our Articles of Association and the provisions of the SEBI Listing Regulations and any other rules regulations and guidelines issued by the Government of India in connection thereto and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company.

Face Value and Issue Price

The face value of the Equity Shares is ₹ 10 each and the Issue Price is ₹ [●] per Equity Share.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with the SEBI Regulations

Our Company shall comply with all disclosure and accounting norms, as specified by SEBI from time to time.



Rights of the Equity Shareholders

Subject to the applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity Shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of SEBI Listing Regulations and our Company's Memorandum and Articles of Association.

For a detailed description of the main provisions of our Articles relating to voting, dividend, forfeiture and lien and/or consolidation/sub-division/cancellation, please refer to the section "*Main Provisions of the Articles of Association*" on page 268 of this Draft Prospectus.

Joint Holders

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Market Lot and Trading Lot

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of our Equity Shares shall only be in dematerialised form for all investors. Since trading of our Equity Shares is in dematerialised form, the trading will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allotment in this Issue will be only in electronic form in multiples of [●] Equity Shares subject to a minimum Allotment of [●] Equity Shares. For details of Allotment, please refer to the section "*Issue Procedure*" on page 240 of this Draft Prospectus.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first Applicant, with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of the holder's death during minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, will, on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of Equity Shares; or



- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant will prevail. If Applicants want to change their nomination, they are advised to inform their respective Depository Participant.

Issue Period

Applicants may submit their applications only in the Issue Period. The Issue Opening Date is [●] and the Issue Closing Date is [●].

Minimum Subscription

In accordance with Regulation 106 P (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through the Prospectus and shall not be restricted to the minimum subscription level.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 (thirty) days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive (i) the minimum subscription of 90% of the Issue within the Issue Period; and/or (ii) a subscription in the Issue equivalent to the minimum number of securities as specified under Rule 19(2)(b)(ii) of the SCRR, including devolvement of Underwriters, if any within 60 (sixty) days of from the date of closure of the issue, our Company shall refund the entire subscription amount received, within period as prescribed under Regulation 14 of the SEBI ICDR Regulations. If there is a delay beyond eight days from the date of closure of the issue, the prescribed period, our Company shall pay interest as prescribed under Section 39 read with Rule 11 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013.

Further, in accordance with Regulation 106R of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 50.

Further, in accordance with Regulation 106Q of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Migration to Main Board

Our Company may migrate to the Main Board of BSE from the SME Platform on a later date subject to the following:

- If the paid up capital of our Company is likely to increase above ₹2,500 Lacs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders in favour of the proposal amount to at least two times the number of votes cast by shareholders against the proposal and for which our Company has obtained in-principal approval from the Main Board), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.



OR

- If the paid up capital of our Company is more than ₹ 1,000 Lacs but below ₹ 2,500 Lacs, our Company may still apply for migration to the Main Board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The Equity Shares Issued through this Issue are proposed to be listed on the SME platform of BSE (BSE SME Platform), wherein the Lead Manager shall ensure compulsory market making through the registered Market Makers of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing of Equity Shares on the SME platform of BSE. For further details of the market making arrangement, please refer to the section “General Information” on page 53 of this Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012, it has been decided to make applicable limits on the upper side for the Market Makers during making process taking into consideration the Issue Size in the following manner:

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

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

Arrangement for disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME Platform.

Restriction on transfer of shares

Except for lock-in of the pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in “Capital Structure” on page 62 of this Draft Prospectus and except as provided in the Articles, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting except as provided in our Articles. For more information, please refer to the section “Main Provisions of our Articles of Association” on page 268 of this Draft Prospectus.

Application by Eligible NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI

As per the extant policy of the Government of India, OCBs cannot participate in this Issue. 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. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, there exists a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an initial public offering. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. It is to be distinctly understood that there is no reservation for NRIs, FIIs or FVCIs registered with SEBI, Applicants will be treated on the same basis with other categories for the purpose of allocation.

The allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Withdrawal of the Issue

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue any time after the Issue Opening Date but before the Board meeting for Allotment of Equity Shares. In such an event, our Company would issue a public notice in the newspapers, in which the pre- Issue advertisements were published, within two days, providing reasons for not proceeding with the Issue. Our Company shall also inform the same to the stock exchanges and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the ASBA Account within one Working Day from the date of such notification.

Any further issue of Equity Shares by our Company shall be in compliance with applicable laws.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall be required to file a fresh Draft Prospectus. Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment and the final RoC approval of the Draft Prospectus.

Issue of Equity Shares in dematerialised form in the Issue

In accordance with the SEBI ICDR Regulations, Equity Shares to be issued, transferred and Allotment shall be made only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.



Pre- Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre- Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with competent courts/authorities in Mumbai, Maharashtra, India.



ISSUE STRUCTURE

The present Issue of 28,84,000 Equity Shares of ₹ 10 each, at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) for cash aggregating to [●] (the Issue), of which [●] Equity Shares of ₹ 10 each will be reserved for subscription by Market Maker (**Market Maker Reservation Portion**), is being made in terms of Chapter XB of the SEBI ICDR Regulations. The Issue less the Market Maker Reservation Portion i.e. Issue of [●] Equity Shares of ₹ 10 each is hereinafter referred to as the **Net Issue**. The Issue and the Net Issue will constitute [●]% and [●]%, respectively of the post Issue paid up Equity Share capital of our Company.

Particulars	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	27,38,000 Equity Shares	1,46,000 Equity Shares
Percentage of Issue Size available for allocation	94.94 % of the Issue Size	5.06 % of the Issue Size
Basis of allocation, if respective category is oversubscribed	Proportionate.	Firm allotment
Minimum Application Size	<u>For Other than Retail Individual Investors</u> Such number of Equity Shares in multiples of [●] Equity Shares at an Issue Price of [●] such that the Application Value exceeds ₹ 2,00,000/- <u>For Retail Individual Investors:</u> [●] Equity Shares at an Issue Price of [●]	[●] Equity Shares
Maximum Application Size	<u>For Other than Retail Individual Investors</u> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable <u>For Retail Individual Investors:</u> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹ 2,00,000/-	[●] Equity Shares
Mode of Application	Through ASBA process only	
Mode of allotment	Compulsorily in dematerialised Form.	
Trading Lot	[●] Equity Shares.	[●] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations.
Who can apply	<u>Other than Retail Individual Investors</u> <i>As QIBs</i> - Public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds, VCFs, FVCIs and AIFs registered with SEBI, FIIs and subaccount registered with SEBI (other than a subaccount which is a foreign corporate or foreign individual), multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDA, provident fund with minimum corpus of ₹ 2,500 lacs, pension fund with	



Particulars	Net Issue to Public*	Market Maker Reservation Portion
	<p>minimum corpus of ₹ 2,500 lacs and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.</p> <p>As Non Institutional Applicants - Resident Indian individuals, HUF (in the name of Karta), companies, Eligible NRIs, Corporate bodies, Scientific Institutions, Societies and Trusts, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals.</p> <p>For Retail Individual Investors: Individuals (including Eligible NRIs and HUFs in the name of Karta) applying for Equity Shares such that the Application Amount does not exceed ₹ 2,00,000 in value.</p>	
Terms of Payment	Full Application Amount at time of submission of Application Form	

*As per Regulation 43(4) of the SEBI ICDR Regulations, as amended, as present issue is a fixed price issue 'the allocation' in the net issue to the public category shall be made as follows.

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
 - (i) Investors other than retail Individual Investors; and
 - (ii) Other investors including corporate bodies or institutions, irrespective of the number of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty percent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

*SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the **Circular**) standardized the lot size for initial public offer proposing to list on SME Exchange/platform and for the secondary market trading on such exchange/platform, as under:

Price Band (₹)	Lot Size (Number of Shares)
A. Upto 14	10,000
B. more than 14 upto 18	8,000
C. more than 18 upto 25	6,000
D. more than 25 upto 35	4,000
E. more than 35 upto 50	3,000
F. more than 50 upto 70	2,000
G. more than 70 upto 90	1,600
H. more than 90 upto 120	1,200
I. more than 120 upto 150	1,000
J. more than 150 upto 180	800
K. more than 180 upto 250	600



Price Band (₹)	Lot Size (Number of Shares)
L. more than 250 upto 350	400
M. more than 350 upto 500	300
N. more than 500 upto 600	240
O. more than 600 upto 750	200
P. More than 750 upto 1,000	160
Q. above 1,000	100

Further to the Circular, at the initial public offer stage, the Registrar to the Issue, in consultation with the Lead Manager, our Company and the Designated Stock Exchange shall ensure to finalize the Basis of Allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO lot size at the application/allotment stage, facilitating secondary market trading. The lot size shall not be reduced by the Stock Exchange to below the initial lot size if the trading price is below the IPO issue price. The Stock Exchange can review the lot size once in every 6 months / wherever warranted, by giving an advance notice of at least one month to the market. However, as far as possible, the Stock Exchange shall ensure that odd lots are not created. In case of oversubscription, if the option to retain ten percent of the Net Issue to public for the purpose of making allotment in minimum lots is exercised, then it shall be ensured by the Issuer/Stock Exchange/ Lead Manager that the post issue paid up capital of the Issuer does not go beyond ₹ 2,500 lacs.

Issue Programme

Issue Opening Date	[•]
Issue Closing Date	[•]
Finalization of Basis of Allotment	[•]
Initiation of refunds	[•]
Credit of Equity Shares	[•]
Commencement of trading of Equity Shares	[•]

Applications shall be accepted only between **10.00 a.m. and 5.00 p.m.** (Indian Standard Time **IST**) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- A standard cut-off time of 3.00 p.m. for acceptance of applications.
- A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants
- A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by Lead Manager to BSE within half an hour of such closure.

Due to limitation of time available for uploading the applications on the Issue Closing Date, the Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. Applicants are cautioned that in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public offerings, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Working Days (excluding any public holiday). Neither our Company nor any SCSB is liable for any failure in uploading the applications due to faults in any software/hardware system or otherwise.

In case of discrepancy of data between BSE and the Designated Branches of the SCSBs, the decision of the Registrar to the Issue, in consultation with the Lead Manager, our Company and BSE, based on the electronic records, as the case may be, of the Application Forms shall be final and binding on all concerned. Further, the Registrar to the Issue may ask for rectified data from the SCSBs.



ISSUE PROCEDURE

This section applies to all the Applicants.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)(Fifth Amendment) Regulations, 2015 there has been certain changes in the Issue procedure for initial public offering including making ASBA Process mandatory for all investors w.e.f. January 01, 2016, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept Application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an Issue to six working days w.e.f. January 01, 2016.

Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. All Applicants are required to submit their applications through the SCSBs (Self Certified Syndicate Banks). Please note, an amount equivalent to the full Application Amount will be blocked by the SCSBs. Please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in applicable laws, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus.

The Issue is being made in accordance with Regulation 106(M)(2) of Chapter XB of the SEBI ICDR Regulations through a Fixed Price Process.

Application Form

Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA Mode. The prescribed colour of the Application Form for various categories applying in this Issue is as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)	White
Eligible NRIs, FIIs or Foreign Venture Capital Funds, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis (ASBA)	Blue

Application Forms for ASBA Applicants will also be available on the website of the Stock Exchange (www.bseindia.com) at least one day prior to Issue Opening Date.

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

ASBA Applicants are required to submit their applications only through the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application form used by the Applicants.



Applicants applying through the SCSBs should ensure that the Application Form is submitted to a **Designated Intermediaries** being an SCSB's, a syndicate member, a stock broker, a depository participants and a registrar to the issue, who shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application forms, in physical or electronic mode, respectively.

Applicants are required to submit their applications only through any of the following **Designated Intermediaries**:

- i. an SCSB, with whom the bank account to be blocked, is maintained
- ii. a syndicate member (or sub-syndicate member), if any
- iii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('Registered Broker')
- iv. a Collecting Depository Participant ('CDP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Upon completion and submission of the Application Form to SCSB, the Applicants are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Who can apply?

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended and who are not minors (except through their Legal Guardians), in single or joint names (not more than three);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Applications by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares under their respective constitutional or charter documents;
- Mutual Funds registered with SEBI;



- Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws. NRIs other than eligible NRIs cannot participate in the Issue;
- Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Applicants category;
- VCF and AIFs registered with SEBI;
- FVCIs registered with SEBI;
- Eligible QFIs,
- FPIs and sub-accounts registered with SEBI, other than Category III Foreign Portfolio Investor.
- Multilateral and bilateral development financial institutions;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in Equity Shares;
- Scientific and/or industrial research organisations authorised in India to invest in Equity Shares;
- Insurance companies registered with IRDA;
- Provident Funds with a minimum corpus of ₹ 2,500 lacs and who are authorised under their constitutional documents to hold and invest in Equity Shares;
- Pension Funds with a minimum corpus of ₹ 2,500 lacs and who are authorised under their constitutional documents to hold and invest in Equity Shares;
- National Investment Fund;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India;
- Any other person eligible to apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

Applications not to be made by:

- Minors (except those having valid demat account, as per Demographic Details provided by Depositories)
- Partnership firms or their nominations
- Overseas Corporate Bodies

Please note that, as per the existing regulations, OCBs cannot apply/participate in this Issue.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



Participation by associates of the Lead Manager

The Lead Manager shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations or market making obligations. However, associates and affiliates of the Lead Manager may subscribe to or purchase Equity Shares in the Issue on a proportionate basis. Such holding or subscription may also be on behalf of their clients.

Applications by Mutual Funds

With respect to applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof.

Applications by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such applications are made.

In case of a Mutual Fund, a separate application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the applications clearly indicate the scheme concerned for which the application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Applications by Eligible NRIs

Eligible NRIs may apply through any of the following ways:

- In case of applications on repatriation basis shall use the Application Form meant for Non Resident Indians (Blue in colour) or
- In case of applications on non repatriation basis shall use the Application Form meant for resident Applicants (White in colour)

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs can obtain Application Form from the Bankers to the Issue or SCSBs and from Registered Office of our Company.

Applications by FPI and FIIs

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely "foreign institutional investors" and "qualified foreign investors" will be subsumed under a new category namely "foreign portfolio investors" or "FPIs". RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have



been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investors who have not registered as FPIS under the SEBI FPI Regulations shall not be eligible to participate in this Issue.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

Applications by SEBI registered VCFs, FVCIs and AIFs

The SEBI (Venture Capital Funds) Regulations, 1996 (**VCF Regulations**) and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 (**FVCI Regulations**), as amended *inter alia* prescribe, amongst others, investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. A FVCI can invest its entire funds committed for investment into India in one venture capital undertaking. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription in an initial public offering of a venture capital undertaking whose shares are proposed to be listed.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulation.

Applications by insurance companies

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended, are broadly set forth below:



Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

The entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

Applications made by Provident Funds / Pension Funds

In case of the applications made by provident funds / pension funds, subject to applicable law, with minimum corpus of ₹ 2,500 lacs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

Applications by Limited Liability Partnerships

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof.

Applications by Banking Companies

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Application without assigning any reason. The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the bank's own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 1, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Applications by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications

AS PER THE CURRENT REGULATIONS, THE FOLLOWING RESTRICTIONS ARE APPLICABLE FOR INVESTMENTS BY FPIs.

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure'



is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as ‘Infrastructure Finance Companies’ (IFC) by the Reserve Bank of India; (i) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

- 2 Where a foreign institutional investor or a sub account, prior to commencement of these regulations, hold equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after Initial Public Offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.
- 3 In respect of investments in the secondary market, the following additional conditions shall apply:
 - a. A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b. Nothing contained in clause (a) shall apply to:
 - i. Any transactions in derivatives on a recognized stock exchange;
 - ii. Short selling transactions in accordance with the framework specified by the Board;
 - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - iv. Any other transaction specified by the Board.
 - c. No transaction on the stock exchange shall be carried forward;
 - d. The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
 - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
 - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - viii. Any other transaction specified by Board.



- e. A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form: Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
- 4 The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5 The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6 In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7 A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard. No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
 - a. Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority'
 - b. Such offshore derivatives instruments are issued after compliance with 'know your client' norms:
 - c. Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provision of these regulations.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

Applications under Power of Attorney

In case of applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2,500 lacs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lacs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.



In addition to the above, certain additional documents are required to be submitted by the following entities:

1. With respect to applications by VCFs, AIFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
2. With respect to applications by insurance companies registered with the IRDA, in addition to the above, a certified copy of the certificate of registration issued by the IRDA must be lodged along with the Application Form.
3. With respect to applications made by provident funds with a minimum corpus of ₹ 2,500 lacs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

Our Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue, that for the purpose of printing particulars on the refund order and mailing of the refund order/ Allotment Advice or refunds through electronic transfer of funds, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the Applicants). In such cases, the Registrar to the Issue shall use Demographic Details as given in the Application Form instead of those obtained from the Depositories.

Maximum and Minimum Application Size

1. **For Retail Individual Applicants:** The application must be for a minimum of [●] Equity Shares and in the multiple of [●] Equity Shares thereafter, so as to ensure that the Application Amount payable by them does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Amount payable by them does not exceed ₹ 2,00,000.
2. **For Non Retail Applicants:** The application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the allotment will not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a Non Retail Applicant cannot withdraw its application nor lower the size of its application after the Issue Closing Date and are required to pay the Application Amount upon submission of the application.

In case of revision of Applications, the Non Retail Applicants have to ensure that the Application Amount payable by them exceed ₹ 2,00,000

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and to ensure that any single application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

Information for the Applicants:

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in



- English and Hindi) and in one Marathi newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
 3. Copies of the Application Form and copies of the Prospectus will be available with the Lead Manager, the Registrar to the Issue and at the Registered Office of our Company. Electronic Application Forms will also be available on the website of the Stock Exchanges.
 4. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
 5. Applicants who are interested in subscribing to the Equity Shares should approach Designated Intermediaries to register their applications.
 6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch or the respective Designated Intermediaries. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
 7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained or to other Designated Intermediaries. SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
 8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB, where the ASBA Account is maintained. For ASBA applications submitted directly to the SCSBs or through its intermediaries, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
 9. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Method and Process of Applications

1. Applicants are required to submit their applications during the Issue Period only through the following designated intermediary:
 - i. an SCSB, with whom the bank account to be blocked, is maintained
 - ii. a syndicate member (or sub-syndicate member), if any



- iii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('Registered Broker')
- iv. a Collecting Depository Participant ('CDP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

The Designated Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus.

The Applicant cannot apply on another Application Form after one Application Form has been submitted to the designated intermediaries. Submission of a second Application Form to either the same or to another designated intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.

- 2. The designated intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.
- 3. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

For applications submitted by investors to SCSBs:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

- 4. Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, and if sufficient funds are not available in the ASBA Account the application will be rejected.
- 5. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.
- 6. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an



appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Payment Instructions

- ***Terms of Payment***

The entire Issue price of [•] is payable on application. In case of allotment of lesser number of equity shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicant.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

- ***Payment Mechanism***

The applicants shall specify the bank account number in their Application Form and the SCSB's shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of the instruction from the Registrar to unblock the Application Amount. However Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSB's to unblock the application money in the relevant bank account within one day of the receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the Applicant, as the case may be.

Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in the public issue can only invest through ASBA Mode.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded within one Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omission and commissions in relation to
 - (i) the applications accepted by them,
 - (ii) the applications uploaded by them,
 - (iii) the applications accepted but not uploaded by them or
 - (iv) with respect to applications by the Applicants, applications accepted and uploaded by them, the Designated Branch of the relevant SCSB, which receives the relevant schedule (along with Application Forms), will be responsible for blocking the necessary amounts in the ASBA Accounts.



4. Neither the Lead Manager nor our Company nor the Registrar to the Issue shall be responsible for any acts, mistakes or errors or omission and commissions in relation to
 - (i) the applications accepted by any Designated Intermediaries,
 - (ii) the applications uploaded by any Designated Intermediaries or
 - (iii) the applications accepted but not uploaded by any Designated Intermediaries.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Designated Intermediaries and their authorised agents during the Issue Period. The Designated Branches of the Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities on a regular basis. On the Issue Closing Date, the Designated Branches of the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Brokers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details
1	Symbol
2	Intermediary Code
3	Location Code
4	Application No.
5	Category
6	PAN
7	DP ID
8	Client ID
9	Quantity
10	Amount

With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:

- Name of the Applicant(s);
- Application Form number;
- PAN(of the sole/first ASBA Applicant), except for applications on behalf of Central and State Governments, residents of the State of Sikkim and officials appointed by the courts;
- Investor Category and Sub-Category:

Retail	Non-Institutional	QIB
(No sub category)	Individual; Corporate; Others	Mutual Funds; Financial Institutions; Insurance companies; Foreign Institutional Investors other than corporate and individual sub-accounts; Others



- DP ID and client identification number of the beneficiary account of the Applicant;
 - Number of Equity Shares applied for;
 - Application Amount; and
 - Bank account number.
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained.
7. A system generated TRS will be given to the Applicant as a proof of the registration of each of the application options. It is the Applicant's responsibility to obtain the TRS from the Designated Branches of the SCSBs. The registration of the application by the Designated Branches of the SCSBs does not guarantee that the Equity Shares shall be allocated/ Allotted either by the Bankers to the Issue or our Company.
 8. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
 9. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
 10. The permission given by the Stock Exchange to use its network and software of the online IPO connectivity system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
 11. The Designated Intermediaries will be given up to one day after the Issue Closing Date to verify DP ID and Client ID uploaded in the online IPO system during the Issue Period after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such applications are liable to be rejected.
 12. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
 13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Allocation of Equity Shares

1. The Issue is being made through the Fixed Price Process wherein 1,46,000 Equity Shares shall be reserved for Market Maker. [●] Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.



2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI ICDR Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

1. Our Company and the Underwriters shall enter into an Underwriting Agreement.
2. After signing the Underwriting Agreement, our Company will update and file the updated Prospectus with the RoC in terms of Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Draft Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in two national newspapers (one each in English and Hindi) and in one Marathi newspaper with wide circulation.

Advertisement regarding Issue Price and Prospectus

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Opening Date and Issue Closing Date. Any material updates between the date of this Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of Allotment Advice

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.
3. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

Designated Date and Allotment of Equity Shares

1. Our Company will ensure that the (i) Allotment of Equity Shares; and (ii) credit to the successful Applicant's depository account is done within 6 Days of the Issue Closing Date. Our Company would ensure the credit to the successful Applicants Depository Account within 6 Days of the Issue Closing Date.
2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
3. Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.



Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply;
2. Ensure that you have applied at the Issue Price;
3. Read all the instructions carefully and complete the Application Form;
4. Ensure that the details about the PAN, Depository Participant and the beneficiary account are correct and the Applicant's Depository Account is active as Allotment of Equity Shares will be in the dematerialised form only;
5. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant;
6. Ensure that you have funds equal to the Application Amount in the ASBA account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to not release the fund blocked in the ASBA Account under the ASBA process;
7. Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
8. Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the application form and the Prospectus;
9. Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB or a Banker to the Issue, as the case may be;
10. Instruct your respective banks to not release the funds blocked in the bank account under the ASBA process;
11. Except for applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) applications by persons resident in the State of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, for applications of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Application Form. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same;
12. Ensure that you have requested for and receive a TRS;
13. Ensure that you request for and receive a stamped acknowledgement of options;
14. All Investors submit their applications through the ASBA process only;



15. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
16. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not apply for a price other than the Issue Price;
2. Do not apply for lower than the minimum Application size
3. Non Retail Applicants should neither withdraw nor lower the size of their applications at any stage;
4. Do not apply on another Application Form after you have submitted an application to the Designated Intermediaries, as applicable;
5. Do not pay the Application Amount in cash, by money order or by postal order or by stock invest;
6. Do not send Application Forms by post; instead submit the same Designated Intermediaries, only;
7. Do not apply for an Application Amount exceeding ₹ 2,00,000 (for applications by Retail Individual Applicants);
8. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
9. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
10. Do not submit the applications without the full Application Amount;
11. Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
12. Do not submit applications on plain paper or incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant; and
13. Do not apply if you are not competent to contract under the Indian Contract Act, 1872, as amended.

Instructions for completing the Application Form

Applications must be:

1. Made only in the prescribed Application Form.
2. Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Bankers to the Issue and/or the SCSBs, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Application Forms.
3. Information provided by the Applicants will be uploaded in the online IPO system by the Bankers to the Issue and the SCSBs, as the case may be and the electronic data will be used to make allocation/ Allotment. The Applicants should ensure that the details are correct and legible.



4. For Retail Individual Applicants, the application must be for a minimum of [●] Equity Shares and in multiples of [●] thereafter subject to a maximum Application Amount of ₹ 2,00,000.
5. For Non Retail Applicants, applications must be for a minimum of such number of Equity Shares that the Application Amount exceeds or equal to ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. Applications cannot be more than the size of the Issue. Applications must be submitted through the ASBA process only.
6. In single name or in joint applications, only the name of the First Applicant (which should also be the first name in which the beneficiary account is held) should be provided in the Application Form.
7. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
8. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com With a view to broad base the reach of Investors by substantially enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

Applicant's Depository Account and Bank Account Details

Applicants should note that on the basis of name of the Applicants, PAN of the Applicants, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details including address, Applicants bank account details, MICR code and occupation. These bank account details would be used for giving refunds i.e by unblocking the ASBA Accounts. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in unblocking of ASBA Account and at the Applicant's sole risk and neither the Lead Manager nor the Registrar to the Issue or the SCSBs nor our Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

IT IS MANDATORY FOR ALL THE APPLICANTS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL APPLICANTS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM 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 APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the allocation advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorised the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.



Allocation advice would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, PAN of the sole/First Applicant (including the order of names of joint holders), the DP ID and the beneficiary's identity, then such applications are liable to be rejected.

Applications must be made in the following manner:

1. Application Form should be Blue in colour and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.
2. In a single name or in case of joint applications, only the name of the First Applicant (which should also be the first name in which the beneficiary account is held) should be provided in the Application Form.
3. Applications on a repatriation basis shall be in the names of individuals, or in the name of FIIs, Eligible QFIs or FVCIs but not in the names persons not competent to contract under the Indian Contract Act, 1872, as amended, OCBs, firms or partnerships, foreign nationals (excluding Eligible NRIs or Eligible QFIs) or their nominees.

Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only at the rate of exchange prevailing at the time of remittance and net of bank charges and / or commission. In case of Applicants who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. Our Company and the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, Eligible QFIs and FIIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation

Submission of Application Form

All Application Forms duly completed shall be submitted to the Designated Intermediaries at the time of submission of the application.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

OTHER INSTRUCTIONS

Joint applications in the case of Individuals

Applications may be made in single or joint names (not more than three). However, the Application Form should contain only the name of the First Applicant. In the case of joint applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.



Multiple Applications

An Applicant should submit only one application (and not more than one). Two or more applications will be deemed to be multiple applications if the sole or First Applicant is one and the same.

In case of a Mutual Fund, a separate application may be made in respect of each scheme of the Mutual Fund and such applications in respect of over one scheme of the Mutual Fund will not be treated as multiple applications provided that the applications clearly indicate the scheme concerned for which the application has been made.

After submitting an application to SCSB using an Application Form either in physical or electronic mode, an ASBA Applicant cannot apply, either in physical or electronic mode, whether on another Application Form, to either the same or another Designated Branch of the SCSB. Submission of a second application in such manner will be deemed a multiple application and would be rejected either before entering the application into the electronic collecting system or at any point of time prior to the allocation or Allotment of the Equity Shares in the Issue.

More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected.

Our Company, in consultation with the Lead Manager, reserves the right to reject, in its absolute discretion, all (or all except one) multiple application(s) in any or all categories. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications will be checked for common PAN as per the records of Depository. For Applicants other than Mutual Funds and FII sub-accounts, applications bearing the same PAN will be treated as multiple applications and will be rejected.
2. The applications from Mutual Funds and FII sub-accounts, which were submitted under the same PAN, as well as applications on behalf of the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, for whom the submission of PAN is not mandatory, the applications will be scrutinised for DP ID and beneficiary account numbers. In case such applications bear the same DP ID and beneficiary account numbers, these were treated as multiple applications and will be rejected.

Permanent Account Number or PAN

Except for applications on behalf of the Central or State Government and the officials appointed by the courts, the Applicants, or in the case of an application in joint names, each of the Applicants, should mention his/ her Permanent Account Number (PAN) allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction.

Any Application Form without the PAN is liable to be rejected, except for resident in the State of Sikkim, on behalf of the Central or State Governments and the officials appointed by the courts, may be exempted from specifying their PAN for transactions in the securities market. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground. However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e. either Sikkim category or exempt category.



Further the beneficiary accounts of the Applicants for whom PAN details have not been verified will be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made in the accounts of such Applicants.

REJECTION OF APPLICATIONS

In case of Non-Retail Applicants and Retail Individual Applicants, our Company has a right to reject applications based on technical grounds. The Designated Branches of the SCSBs shall have the right to reject applications by ASBA Applicants if at the time of blocking the Application Amount in the Applicant’s bank account, the respective Designated Branch ascertains that sufficient funds are not available in the Applicant’s bank account maintained with the SCSB. Subsequent to the acceptance of the applications made by the Applicants by the SCSB, our Company would have a right to reject the applications only on technical grounds.

Grounds for Technical Rejections

Applicants are advised to note that applications are liable to be rejected inter alia on the following technical grounds:

- Amounts mentioned in the Application Form does not tally with the amount payable for the value of the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, including minors (except those having valid demat account, as per Demographic Details provided by Depositories);
- PAN not mentioned in the Application Form, except for applications by or on behalf of the Central and State Government and the officials appointed by the courts and by investors residing in the State of Sikkim;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications for number of Equity Shares which are not in multiples of [●];
- Applications for an Application Amount less than ₹ 1,00,000 by a Retail Individual Applicant;
- Category not indicated;
- Multiple applications as defined in the Prospectus;
- In case of applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Signature of sole Applicants missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the DP ID and the beneficiary’s account number;



- Inadequate funds in the bank account to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the bank account;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “ qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Law;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges; and
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form; and
- Details of ASBA Account not provided in the Application form.

IN CASE THE DP ID, CLIENT ID AND PAN MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC COLLECTING SYSTEM OF THE STOCK EXCHANGE OR THE BANKERS TO THE ISSUE /THE SCSBs DO NOT MATCH WITH THE DP ID, CLIENT ID AND PAN AVAILABLE IN THE RECORDS WITH THE DEPOSITORIES, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

Equity Shares in dematerialised form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Allotment of Equity Shares in this Issue shall be only in a dematerialised form (i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated [●] between NSDL, our Company and the Registrar to the Issue; and
- Agreement dated [●] between CDSL, our Company and the Registrar to the Issue.



Our Company's International Securities Identification Number (ISIN) is [●].

All Applicants can seek Allotment only in dematerialised mode. Applications from any Applicant without relevant details of his or her Depository Account are liable to be rejected.

- (i) An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the application.
- (ii) The Applicant must necessarily fill in the details (including the beneficiary account number and Depository Participant's identification number) appearing in the Application Form.
- (iii) Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- (iv) Names in the Application Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- (v) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form, it is liable to be rejected.
- (vi) The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis-à-vis those with his or her Depository Participant.
- (vii) Equity Shares in electronic form can be traded only on the stock exchange having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- (viii) The trading of the Equity Shares of our Company would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchange.
- (ix) Non transferable advice or refund orders will be directly sent to the Applicants by the Registrar to the Issue.

Communications

All future communications in connection with applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application Form, name and address of the Designated Intermediary where the application was submitted thereof and a copy of the acknowledge slip.

Applicants can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary accounts, refund orders etc.

Payment of refunds for Applicants and its mode

The Registrar to the Issue shall instruct the relevant SCBSs to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA applications within 6 Working Days of the Issue Closing Date.

Disposal of applications and application moneys and interest in case of delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares



The Company shall use best efforts to ensure that all steps 'for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity shares are proposed to be listed are taken with (6) six working days from Issue Closing Date

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, our Company further undertakes that:

1. Allotment of Equity Shares shall be made only in dematerialised form within 6 working Days of the Issue Closing Date; and
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

Our Company shall pay interest at 15% per annum for any delay beyond the 6 working days time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within the 6 working days time period prescribed above. If such money is not repaid within eight days from the day our Company becomes liable to repay, our Company and every Director of our Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as prescribed under the applicable law.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447..”*

Basis of Allotment

1. For Retail Individual Applicants

- Applications received from the Retail Individual Applicants at the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Applicants will be made at the Issue Price.
- [●] Equity Shares shall be available for Allocation to Retail Individual Applicants who have applied at the Issue Price.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at the Issue Price, full Allotment shall be made to the Retail Individual Applicants to the extent of their valid applications.

2. For Non Retail Applicants



- Applications received from Non Retail Applicants at the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non Retail Applicants will be made at the Issue Price.
- The Net Issue size less Allotment to Retail Portion shall be available for Allotment to Non Retail Applicants who have applied at the Issue Price.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at the Issue Price, full Allotment shall be made to Non Retail Applicants and to the extent of their demand;
- In case the aggregate demand in this category is greater than [●] Equity Shares at the Issue Price, Allotment shall be made on a proportionate basis. For the method of proportionate basis of Allotment, refer below.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, our Company shall finalise the basis of Allotment in consultation with the BSE. The executive director (or any other senior official nominated by them) of BSE along with the Lead Manager and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalised in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

1. Applicants will be categorised according to the number of Equity Shares applied for.
2. The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Applicants in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
3. Number of Equity Shares to be allotted to the successful Applicants will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Applicant in that category multiplied by the inverse of the over-subscription ratio.
4. In all applications where the proportionate Allotment is less than [●] Equity Shares per Applicant, the Allotment shall be made as follows:
 - The successful Applicants out of the total Applicants for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares calculated in accordance with 2 above; and
 - Each successful Applicant shall be allotted a minimum of [●] Equity Shares.
5. If the proportionate allotment to an Applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted equity shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
6. If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Applicants in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the allotted Equity Shares are not sufficient for proportionate Allotment to the successful Applicants in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for minimum number of Equity Shares. If as a result of the process of rounding off to the nearest multiple of [●] equity shares, results in the actual allotment being higher than the equity shares offered, the final allotment may be higher at the



sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Prospectus.

Letters of Allotment or Refund Orders

Our Company shall credit the Allotted Equity Shares to the beneficiary account with Depository Participants within 6 Days from the Issue Closing Date. For all the applicants, the Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA applications within 6 working days of the Issue Closing Date.

Interest in case of delay in dispatch of Allotment Letters or instruction to the SCSBs by the Registrar

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI ICDR Regulations, our Company agrees that as far as possible Allotment of Equity Shares to the public and credit to the successful Applicants' Depository Accounts will be completed within 6 working days from the Issue Closing Date. Our Company further agrees that they shall pay interest at 15% per annum (for any delay beyond the 6 working days time period as mentioned above), if Allotment is not made, and/or demat credits are not made to investors within the 6 working day time prescribed above. However applications received after the closure of the Issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

Our Company will provide adequate funds required for dispatch of allotment advice to the Registrar to the Issue.

Refunds will be made by unblocking the ASBA Accounts.

Undertakings by our Company

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed within 6 working days from the Issue Closing Date;
3. That if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice within two working days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
4. That the certificates of the securities/ refund orders to the eligible NRIs shall be dispatched within specified time;
5. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the application monies are refunded on account of non-listing, under-subscription etc.;
6. That the our Promoters' contribution in full has already been brought in; and
7. That if the Company withdraws the Issue after the Issue Closing Date, our company shall be required to file a fresh offer document with thee ROC/SEBI, in the event our Company subsequently decides to proceed with the Issuer.



Utilisation of Issue proceeds

Our Board of Directors certifies that:

1. All monies received out of the Issue shall be transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act;
2. Details of all monies utilised out of Issue shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilised, under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilised; and
3. Details of all unutilised monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilised monies have been invested.
4. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue proceeds until the receipt of final listing and trading approval for trading of the Equity Shares from the Stock Exchange where listing is sought.
6. The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and RBI. Foreign investment is allowed up to 100% under automatic route in our Company

India's current Foreign Direct Investment ('FDI') Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI ("DIPP") by Consolidated FDI Policy Circular of 2016 with effect from June 7, 2016 ("Consolidated FDI Policy Circular of 2016") consolidates and subsumes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Consolidated FDI Policy Circular of 2016 will be valid until the DIPP issues an updated circular.

Subscription by foreign investors (NRIs/FPIs)

FPIs are permitted to subscribe to equity shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. SEBI registered FPIs have been permitted to purchase shares of an Indian company through Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of 10 per cent subject to the total sectoral cap of all FPIs/sub accounts put together being 100per cent of the paid-up capital of the Indian Company.

The transfer of equity shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (FDI) Policy and transfer does not attract the provisions of the Takeovers Code (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.



The transfer of shares of an Indian company by a person resident outside India to an Indian resident, where pricing guidelines specified by RBI under the foreign exchange regulations in India are not met, will not require approval of the RBI, provided that (i) the original and resultant investment is in line with Consolidated FDI policy and applicable foreign exchange regulations pertaining to inter alia sectorial caps and reporting requirements; (ii) the pricing is in compliance with applicable regulations or guidelines issued by SEBI; and (iii) a compliance certificate in this regard is obtained from chartered accountant and attached to the filings made before the authorized dealer bank.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the Securities Act, or any state securities laws of the United States and unless so registered, may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares may be offered and sold outside the United States in offshore transactions in reliance on Regulations under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the applications are not in violation of laws or regulations applicable to them.



SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

The main provisions of the Articles of Association of the Issuer are as follows:

Capital

Authorised Capital

Article 4 provides that:

(I) “The Authorized Share Capital of the Company is ₹ 12,50,00,000 (Rupees Twelve Crore Fifty Lakh) divided into 1,25,00,000 (One Crore Twenty Five Lakh only) Equity shares of ₹10/- (Rupees Ten) each.”

Article 4 provides that:

(II) Any shares of the original or increased capital may from time to time be issued with guarantee or any right of preference whether in respect of dividend or of repayment of capital or both or any other special privilege or advantage over any shares previously issued or then about to be issued or with deferred or qualified rights as compared with any shares previously issued or subject to any provisions or conditions and with any special right or limited right or without any right of voting and generally on such terms as the Company may from time to time determine.

Article 5 provides that:

Subject to the provision of Section 55 of the Act, the Company shall have power to issue preference shares which are or at the option of the Company are liable to be redeemed and the resolution authorizing such issue will prescribe the manner, terms and conditions of redemption.

Article 39 provides that:

The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

Article 5C provides that:

Subject to the provisions of Section 66 of the Companies Act, 2013 and all other applicable provisions of law as may be in force at any time, and from time to time by a Special Resolution reduce its Capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorized by law and in particular such capital may be called up again or otherwise. This Article shall derogate from any other power the Company would have, if this Article is omitted.

Article 42 provides that:

The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

Buy Back of Shares

Article 5A provides that:



Subject to the provisions of the Act and all other applicable provisions of law as may be in force at any time and from time to time, the Company may acquire, purchase, hold, resell any of its own fully/partly paid or redeemable shares and may make payment out of funds of its disposal for and in respect of such acquisitions/purchase on such terms and conditions and at such time as the Board may in its discretion decide and deem fit.

Article 45 provides that:

Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

Consolidation, Sub-Division and Cancellation

Article 40 provides that:

Subject to the provisions of section 61, the company may, by ordinary resolution,—

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Issue of Securities

Article 5B provides that:

Subject to the provisions of the Act and all other applicable provisions of law as may be in force at any time and from time to time the Company may issue shares, either equity or any other kind with no voting rights or with varying voting rights and the resolutions authorizing such issue shall prescribe the terms and conditions of the issue.

Article 8 provides that:

Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of share capital all new shares shall before issue be offered to such persons as at the date of the Issue are entitled to receive notice from the company of general meetings in proportion as far as possible to the amount of the existing to which they are entitled. The offer shall be made by notice specifying the number of shares offered and limiting a time within which the offer if not accepted will be deemed to be declined and after the expiration of that time or on receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered the Directors may dispose of the same in such manner as they think most beneficial to the Company. The Directors may likewise so disposed off any new shares which (by reason of the ratio which the new shares bear to shares held by person entitled to an Issue of new shares) cannot in the opinion of the Directors be conveniently offered under this article. Further on offer being made for issue of new shares existing share holder will have right to take the shares offered in their name or in the name of family members or in the name of the relatives and friends.

Modification of Class Rights

Article 4. (III) provides that:

The right of the holders of any class of shares for the time being forming part of the capital of the Company, may be modified, affected, varied, extended or surrendered whether with the consent in writing of the holders of three-



fourths of the issued shares of that class or with the sanction of a special resolution passed at separate meeting of the holders of the issued shares of that class.

Certificates

Article 12 provides that:

Every person whose name is entered as a member in the register of members shall be entitled to a certificate under the common seal of the Company specifying the share or shares held by him and the amount paid up thereon provided that in respect of a share or shares held jointly by several persons the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holder shall be sufficient delivery to all.

Article 13 provides that:

Certificate of title to shares shall be issued under the seal of the Company which shall be affixed in the presence of and signed by (i) two Directors of the Company or persons acting on behalf of the Director under duly registered Power of Attorney and (ii) Secretary or some other person if any appointed by the directors for the purpose. Provided that, if the composition of the Board permits atleast one of the aforesaid tow Directors shall be a person other than a managing Director or Whole time Director.

Article 13A provides that:

(A) For the purpose of this Article unless the context otherwise requires:-

“Beneficial owner” means a person whose name is recoded as such with a depository;

“SEBI Board” means the Securities and Exchange Board of India;

“bye-laws” means bye-laws made by a depository under Section 26 of the Depositories Act, 1996;

“Depositories Act” means the Depositories Act, 1996 (22 of 1996) including any statutory modification or re-enactment thereof for the time being in force;

“depository” means a Company formed and registered under the Companies Act, 1956 or 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);

“record” includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by regulations made by the SEBI Board;

“regulations” means the regulations made by the SEBI Board;

“Security” means such security as maybe specified by the SEBI Board.

(B) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the company shall enter into an agreement with the depository to enable the investor to dematerialize the securities in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

(C) Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or hold securities with a depository. Where person opts to hold a security with a depository, the Company shall intimate such depository the details of allotment of the security and on receipt of such information the depository shall enter in its record the name of the allottee as the beneficial owner of that security.

(D) All securities held by the depository shall be dematerialized and shall be in fungible form.



Nothing contained in Section 89 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

- (E) (1) Notwithstanding anything to the contrary contained in the Articles a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (2) Save as otherwise provided in (1) above, the depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it.
- (3) Every person holding equity share capital of the Company and whose name is entered as beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the securities held by a depository.
- (F) Every depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owners at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
- (G) If a beneficial owner seeks to opt out of a depository in respect of any security the beneficial owner shall inform the depository accordingly.

The depository shall on receipt of intimation as above make appropriate entries in its records and shall inform the Company.

The Company shall within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or transferee as the case may be.

- (H) Notwithstanding anything to the contrary contained in the Articles:
 - (1). Section 45 of the Act shall not apply to the shares held with a depository
 - (2) Section 56 of the Act shall not apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository.

Calls

Article 16 provides that:

The Director may from time to time by resolution passed at a meeting of the Directors and not by a circular resolution make such calls as they think fit, upon the members in respect of all monies, unpaid on the shares held by them respectively (whether on account of nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the person and at the times and places appointed by the Directors a call may be made payable by installment.

Article 18 provides that:

If by the terms of issue of any shares or otherwise any amount is made payable at any fixed time or by installments at any fixed times, whether on account of the amount of share or by way of premium every such amount of installment shall be payable as if it were a call duly made by the Directors of which due notice had been given and all the



provisions thereof with respect to the payment of calls and interest thereon or to the forfeiture of share for non-payment of calls, shall apply to every such amount or installment and the share in respect of which it is payable.

Lien

Article 14 provides that:

The Company shall have first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that Article 10 hereof will have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien if any on such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause.

Article 15 provides that:

Any shares on which the Company has a lien, no sale shall be made unless sum in respect of which the line exists is presently payable nor until the expiration of fourteen days after 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 by reason of his death or insolvency.

15A Notwithstanding anything contained in Article of the Company, every holder(s) of shares in or debentures of the Company, holding either singly or jointly may at any time nominate a person in the prescribed manner to whom the shares and/or the interest of the member in the capital of the Company or debentures of the Company shall vest in the event of his/her death. Such member may revoke or vary his/her nomination, at any time by notifying the same to the company to that effect. Such nomination shall be governed by the provisions of Section 72 of the Companies Act, 2013 or such other regulations governing the matter from time to time.

Forfeiture and Surrender of Shares

Article 32 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 instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

Article 33 provides that:

The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

Article 34 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.



Article 36 provides that:

(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

Transfer and Transmission of Shares

Article 25 provides that:

The instrument of transfer of any share shall be signed both by the transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. Such signature of such transfer shall be duly attested by the signature of one credible witness who shall add his address.

Article 23 provides that:

The Directors may at their absolute and uncontrolled discretion and without assigning any reason decline to register or acknowledge any transfer of shares and in particular may so decline in respect of shares upon which the Company has a lien or whilst any member executing the transfer is either alone or jointly with any other person or persons indebted to the Company on any account whatsoever or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Director and such refusal shall not be affected by the fact that the proposed transferee is already a member. If the Directors refuse to register the transfer of any share they shall within one month after the date on which the transfer was lodged with the Company send to the transferee and to the transferor notice of refusal provided that registration of a transfer of shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company and ground whatsoever except a lien on the shares.

Article 27 provides that:

No transfer fee shall be charged by the Company for any transfer registered until and unless the Directors decided otherwise.

Article 24 provides that:

When in the case of partly paid shares an application for registration is made by the transferor the transfer shall not be registered unless the company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

Article 28 provides that:

(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

Article 30 provides that:

(i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.



(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

Article 29 provides that:

(i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

Article 31 provides that:

A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Article 26 provides that:

No transfer shall be made to an insolvent or person of unsound mind.

Nomination

Article 15A provides that:

Notwithstanding anything contained in Article of the Company, every holder(s) of shares in or debentures of the Company, holding either singly or jointly may at any time nominate a person in the prescribed manner to whom the shares and/or the interest of the member in the capital of the Company or debentures of the Company shall vest in the event of his/her death. Such member may revoke or vary his/her nomination, at any time by notifying the same to the company to that effect. Such nomination shall be governed by the provisions of Section 72 of the Companies Act, 2013 or such other regulations governing the matter from time to time.

Directors

Article 66 provides that:

The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.



Article 72 provides that:

(i) Subject to the provisions of Section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Meetings of Directors

Article 73 provides that:

((i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

Article 74 provides that:

(i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

Article 75 provides that:

The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

Managing and Whole Time Directors

Article 67 provides that:

(i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

The Seal

Article 93. i provides that:

The Board shall provide for the safe custody of the seal.

Article 93. ii provides that:

The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and



of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserves

Article 94 provides that:

The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Article 96 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, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Article 95 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 98 provides that:

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

Article 97 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 of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Article 100 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 99 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 101 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 102 provides that:

No dividend shall bear interest against the company.

Capitalization

Article 43 provides that:

(i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

Article 44 provides that:

(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and



(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Winding Up

Article 110 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 111 provides that:

Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

Secrecy

Article 109 provides that:

(a) Every Director, Manager, Auditor, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall if so required by the Directors before entering upon his duties sign a declaration pledging himself to observe strict secrecy respecting all transactions of the company with the customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these present contained.

(b) No member or other person unless he is a Director or other person in management of the affairs of the Company is to inspect or examine the company without the permission of the directors of the Company or officers authorized by the Directors for the time being to require discovery of or the Company's trading or any matters which is or may be in the nature of a trade secret mystery of trade or secret process or of any matter whatsoever which may relate to conduct of the company and which in the opinion of the Director or Officers authorized by the Directors it will be inexpedient in the interest of the members of the Company to communicate.



SECTION IX –OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts which have been transferred to our Company by our Promoter pursuant to the BTA entered into before the date of filing of the Draft prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Prospectus will be delivered to the ROC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company between 11:00 a.m. to 4:00 p.m. on all Working Days (Monday to Friday) from the date of filing this Draft Prospectus until the Bid/ Issue Closing Date:

1. MATERIAL CONTRACTS TO THE ISSUE:

- a) Issue Agreement dated January 22, 2018 between our Company and the Lead Manager.
- b) Memorandum of Understanding dated September 16, 2017 between our Company and Beetal Financial & Computer Services Pvt. Ltd. as the Registrar to the Issue.
- c) Escrow Agreement dated [●] between our Company, Lead Manager and the Escrow Collection Bank.
- d) Underwriting Agreement dated [●], 2018 between the Company, the Lead Manager, and Underwriter.
- e) Market Making Agreement dated [●] 2018 between the Company, Lead Manager and Market Maker.
- f) Copy of Tripartite Agreement among the NSDL, the Company and Registrar to the Issue dated [●] 2018.
- g) Copy of Tripartite agreement dated [●] entered in to between our Company, CDSL and the Registrar to the Issue

2. MATERIAL DOCUMENTS FOR INSPECTION:

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation of our Company dated September 05, 2013
3. Certificate of Commencement of business dated March 26, 2014.
4. A fresh certificate of Incorporation consequent to change of name of our Company dated July 15, 2015.
5. Copies of the Board and shareholders resolutions authorizing the Issue.
6. Report dated January 8, 2018 of the Peer Review Auditor, M/s Amit Ray & Co., Chartered Accountants, on our Company's Restated Financial Statements (Standalone) for six months ended September 2017 and for Financial Years 2016-17, 2015-16, 2014-2015 and 2013-14.
7. Report dated September 28, 2017 of the Auditor, on our Promoter Company's Restated Financial Statements (Standalone) as of Financial Years 2016-17, 2015-16, 2014-2015, 2013-14 and 2013-2012.
8. Statement of Tax Benefits from, M/s Amit Ray & Co., Chartered Accountants being the Statutory Auditors dated September 28, 2017.
9. Copies of Balance Sheets of our Company for the Financial Years ending on March 31, 2017, 2016, 2015 and 2014.
10. Consents of Statutory Auditors, Lead Manager, Registrar to the Issue, Legal Advisor to the Issue, Directors of our Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities.
11. In-principle approval dated [●] from the BSE for listing of the securities.
12. Due Diligence certificate dated [●] to SEBI from the Lead Manager

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time, if so required, in the interest of the Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes. Any of the contracts or documents mentioned in this Draft prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



SECTION X – DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013(to the extent notified) and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3of the Securities and Exchange Board of India, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013 (to the extent notified) the Securities Contract (Regulation) Act, 1956, the Securities and exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

Signed by the Directors of the Company:

Name	Designation	Signature
Vivek Puri	Chairman and Managing Director	Sd/-
Ramesh Chander	Whole Time Director	Sd/-
Alok Krishna Agarwal	Independent Director	Sd/-
Tarun Khanna	Independent Director	Sd/-
InduPuri	Director	Sd/-
ShaliniPuri	Director	Sd/-

Signed By:

Name	Designation	Signature
Rajesh Kumar Keshry	Company Secretary	Sd/-
Rajiv Bansal	Chief Financial Officer	Sd/-

Place: New Delhi

Date: February 15, 2018