

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**FOR ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY**

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated September 18, 2019 (“**Letter of Offer**”/ “**LOF**”). You are encouraged to read greater details available in the Letter of Offer. Terms not defined herein shall have the meaning ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 10 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

The hard copy of the Abridged Letter of Offer along with the Composite Application Form to the Eligible Equity Shareholders has been dispatched at their Indian addresses registered with their depository. You may also download the Letter of Offer from the website of Securities and Exchange Board of India (“**SEBI**”), the Stock Exchange where the Equity Shares of the Company are listed i.e. BSE Limited (“**BSE**”) and the Lead Manager to the Issue i.e. Keynote Financial Services Limited at www.sebi.gov.in, www.bseindia.com, and www.keynoteindia.net respectively.

Keshav**C E M E N T****SHRI KESHAV CEMENTS & INFRA LIMITED****Registered Office:** Jyoti Tower, 215/2, 6th Cross Nazar Camp

Karbhar Galli, Madhavpur Vadgaon, Belagavi, Karnataka – 590 005, India

Contact Person: Santosh Shadadal, Company Secretary & Compliance Officer**Tel:** +91 831 2484 412/248 3510; **E-mail:** info@keshavcement.com ; **Website:** www.keshavcement.com**CIN:** L26941KA1993PLC014104**PROMOTERS OF THE COMPANY****H. D. KATWA, VENKATESH H. KATWA, VILAS H. KATWA AND DEEPAK H. KATWA****ISSUE DETAILS, LISTING AND PROCEDURE**

ISSUE OF UP TO 68,71,552 EQUITY SHARES WITH A FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ 41/- PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 31/- PER EQUITY SHARE) (“RIGHTS EQUITY SHARES”) FOR AN AMOUNT UP TO ₹ 2,817.33 LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF SHRI KESHAV CEMENTS & INFRA LIMITED (THE “COMPANY” OR THE “ISSUER”) IN THE RATIO OF 1341 RIGHTS EQUITY SHARES FOR EVERY 1000 FULLY PAID-UP EQUITY SHARES (I.E. 1341:1000) HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON SEPTEMBER 19, 2019 (THE “ISSUE”).

The existing equity shares of our Company are listed on BSE. We have received “in-principle” approval from BSE for listing the equity shares arising from the Issue vide its letter dated January 29, 2019. For the purposes of the Rights Issue, the Designated Stock Exchange is BSE.

Procedure: If you wish to know about processes and procedures applicable to rights issue, you may refer section titled “Terms of the Issue” on page 222 of the Letter of Offer. You may request the Lead Manager to the Issue or the Stock Exchange to provide a copy of Letter of Offer or download it from website of SEBI, BSE and Lead Manager to the Issue as stated above. Please note that in terms of Regulation 61(3) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “**SEBI ICDR Regulations**”), the Lead Manager and Stock Exchange may charge a reasonable amount for providing hard copy of the Letter of Offer.

ELIGIBILITY FOR THE ISSUE

Our Company is eligible to undertake the Issue under Chapter IV and to make disclosure as per Part A of Schedule VIII of the SEBI ICDR Regulations.

INDICATIVE TIMETABLE

Issue Opening Date	September 30, 2019	Date of Allotment (on or about)	October 23, 2019
Last Date for receiving requests for SAFs	October 07, 2019	Initiation of Refunds (on or about)	October 24, 2019
Issue Closing Date	October 14, 2019	Date of Credit (on or about)	October 24, 2019
Commencement of trading of Rights Issue Equity Shares on the Stock Exchange (on or about)			October 30, 2019

The above timetable is indicative and does not constitute any obligation on the Company or the Lead Manager.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**GENERAL RISKS**

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, Investors must rely on their own examination of our Company and the Issue including the risks involved. The Rights Equity Shares being offered in the Issue have not been recommended or approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the contents of the Letter of Offer. Investors are advised to refer to the section titled “Risk Factors” beginning on page 14 of Letter of Offer and on page 5 of this Abridged Letter of offer, before making investment in this Issue.

Name of Lead Manager and contact details	Keynote Financial Services Limited (Formerly Keynote Corporate Services Limited) The Ruby, 9 th Floor, Senapati Bapat Marg, Dadar (W), Mumbai – 400 028 Tel: +91 22 6826 6000-3 E-mail: mbd@keynoteindia.net Website: www.keynoteindia.net Contact Person: Pooja Sanghvi/ Amlan Mahajan SEBI Registration No.: INM 000003606
Name of Registrar to the Issue and contact details	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building Opp. Vasant Oasis Makwana Road Marol, Andheri (East), Mumbai – 400 059 Tel: +91 22 6263 8200 E-mail: rightsissue@bigshareonline.com Website: www.bigshareonline.com Contact Person: Ashish Bhope SEBI Registration No.: INR 000001385
Name of Statutory Auditor	Singhi & Co.
Self-Certified Syndicate Banks	The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI and is updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the below-mentioned link. https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Banker/ Refund Banker to the Issue	IndusInd Bank Limited IndusInd Bank, PNA House, 4th Floor, Plot No 57 & 57/1 Road No 17, Near SRL, MIDC Andheri East, Mumbai – 400093 Tel: +91 22 6016 9248/34; Fax: +91 22 6623 8021 E-mail: sunil.fadtare@indusind.com Website: www.indusind.com Contact Person: Rushal Padhye SEBI Registration No.: INBI000000002

For details of Collection Centers please refer Composite Application Form.

PROMOTERS OF THE COMPANY**1. H.D. Katwa**

H. D. Katwa, aged 72 years, hails from a business family in Belagavi engaged in trade, business and industry in cement and allied activities for more than 50 years. He took up manufacturing activity of cement and joined the family business of cement manufacturing and grinding. In the year 1993 he started Katwa Udyog Limited which is presently known as Shri Keshav Cements & Infra Limited.

2. Venkatesh H Katwa

Venkatesh H Katwa, aged 46 years, a graduate MBA from the University of Oklahoma, USA, is having experience in Cement industry, International business and Health Care service automation. After returning from

USA in 1997, he took up responsibility of Executive Director at Keshav Cements & Infra Limited. He later moved to promote Katwa Infotech Limited, an ITES serving medical and health care industry in USA. He is the Chairman at Shri Keshav Cements & Infra Limited and working on executing projects Cement & Power business.

3. Vilas H Katwa

Vilas H Katwa, aged 42 years, an MBA by education has served as the chief systems engineer, in McCormack Institute of Public Affairs at U-Mass Boston. On returning to India, he joined as the Jt. Managing Director of Keshav Cements & Infra Limited. As he gained experience in cement manufacturing, he took many IT initiatives that gave good control over the production, quality and management parameters. Also being an engineer in Industrial and Production discipline, he has initiated many policies and systems that boosted production to its maximum capacity. He is currently working on operation to improve the product/services while reducing the cost by utilizing instrumentation techniques.

4. Deepak H Katwa

Deepak H Katwa, aged 40 years, is also one of the Promoter & Executive Director of the Company. He is an MBA from the University of Oklahoma, United States. He has made an important contribution towards the finance and operations divisions of the company. His specialties are public relations, finance, operations and management. He is actively involved in settings up of the power plant to reduce the overall power cost for the cement plant.

As on date of the Letter of Offer, none of our Group Companies are listed on BSE and National Stock Exchange of India Limited. Following are the Group Companies of our Company:

1. Katwa Infotech Limited
2. Katwa Construction Company Private Limited
3. Katwa Inc

BUSINESS OVERVIEW AND STRATEGY

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

Our Business segment can be divided into following segments:

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

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

Our Competitive Strengths: (i) Proven and experienced management team; (ii) strategic location of our manufacturing facility; (iii) Popular brand in regional market; (iv) Focus on efficient use of technology & chemical properties of components; (v) Strong Sales & Marketing network; and (vi) Low cost of Production due to installation of solar power plant.

Our Business Strategies: Cement is a product characterised by higher percentage of variable cost compared to fixed cost. Towards achieving the strategy of reducing the variable cost of production, our company has set up the 20 MW solar power plant thereby shifting the power cost in variable component to fixed cost. On an average we estimate the savings to the tune of 20% in total manufacturing cost. We have also recently completed our expansion programme of increasing the manufacturing capacities to 1,100 TPD. Going forward our strategy is to focus on larger volumes and create large market area. We believe that creating a large geographical area hedges the risks of sales in a small geographical area. We intend to continue to leverage our experience and relationships with our customers to expand and diversify.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**BOARD OF DIRECTORS**

Name	Designation	Experience
Venkatesh H. Katwa	Executive Director and Chairman	Venkatesh H Katwa, an MBA graduate from the University of Oklahoma, USA, is having wide experience in Cement industry, International business and Health Care service automations. He is the Chairman at our Company and working on executing projects of expansion and setting up of power project.
Vilas H. Katwa	Managing Director	Vilas Katwa, an MBA graduate from the University of Massachusetts, Boston, started his career as the chief systems engineer, in McCormack Institute of Public Affairs. He is currently the Managing Director of our Company working on operation to improve the product/services while reducing the cost by utilizing instrumentation techniques.
Deepak H. Katwa	Executive Director/ Chief Financial Officer	Deepak Katwa is an MBA graduate from the University of Oklahoma, United States. His specialties are public relations, finance, operations and management. He is actively involved in settings up of the power plant to reduce the overall power cost for the cement plant.
Alpesh C. Jain	Independent Director	Alpesh Jain, is qualified BBA, PGDBM(Marketing) and having 15 years of work experience in Finance Sector. He is holding the position of CEO in Delta Enterprises since April 2017. He has been appointed as an Independent Director of the Company w.e.f. November 09, 2018.
Balasaheb A. Mestri	Independent Director	Balasaheb Mestri, having 35 years of experience in Banking Sector, retired as Sr. Manager (Risk Management). He is qualified as B.com. L.LB. CAIIB. He has been appointed as Independent Director of the Company w.e.f. August 12, 2017.
Radhika Pinal Dewani	Independent Director	Radhika Pinal Dewani has been appointed as Non-Executive Independent Director in the Board of our Company since December 12, 2017. She has done her B.com degree from Sri Jagadguru Renukacharya College of Science, Arts and Commerce, Bangalore.

OBJECTS OF THE ISSUE

The details of the Issue Proceeds are set forth below:

(in ₹ lakhs)

Particulars	Amount
Gross proceeds of the Issue	2,817.33
Less: Issue related expenses	50.00
Net Proceeds	2,767.33

The proposed utilization of Net Issue Proceeds is set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Total amount to be deployed
1.	Part repayment or prepayment of unsecured loans	2,650.00
2.	General corporate purpose	117.33
	Total	2,767.33

The Company proposes to use the entire funds received in the Rights Issue during immediately within 12 months of the completion of the rights issue.

Means of Finance

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

For further details, see "Objects of the Issue - Details of the Objects of the Issue" on page 68 of the Letter of Offer.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**SHAREHOLDING PATTERN AS ON JUNE 30, 2019**

Sl. No.	Particulars	Pre-Issue number of shares	% Holding of Pre-Issue
1.	Promoter & Promoter Group	34,74,912	67.81
2.	Public	16,49,288	32.19
	Total	51,24,200	100.00

RESTATED AUDITED FINANCIALS*(in ₹ lakhs)*

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total income from operations (net)	7,003.15	5,205.22	5,156.93	5,542.99	5,096.64
Profit/(Loss) before interest, tax, depreciation & amortisation	2,568.78	769.26	1,064.73	1,256.23	1,118.51
Finance Cost	1,835.58	89.22	316.75	333.56	406.71
Depreciation & Amortisation expenses	1,174.37	651.57	438.58	293.63	293.51
Profit/(Loss) before tax	(441.16)	28.47	309.40	629.04	418.29
Current Tax	-	(8.80)	(13.04)	192.00	83.70
Deferred Tax	(1,534.06)	(191.49)	(120.10)	14.86	43.95
Provision for tax previous year	3.37	-	-	-	-
Mat Credit reversal of previous year	(53.14)	-	-	-	-
Profit/(Loss) after tax	(2,024.99)	(171.82)	176.27	422.18	290.64
Equity Share Capital	512.42	512.42	512.42	512.42	512.42
Reserves and Surplus	(448.37)	1,592.88	1,524.81	1,474.08	1,185.68
Net worth	64.05	2,105.31	2,037.23	1,986.50	1,698.10
Basic and Diluted earnings per share (₹)	(39.50)	(3.42)	3.20	8.24	5.67
Return on net worth (%)	(3,161.36)	(8.16)	8.65	21.25	17.12
Net asset value per share (₹)	1.25	41.09	39.76	38.77	33.14

INTERNAL RISK FACTORS - Top 5 Risk Factors as per the Letter of Offer

1. Our Company, Promoter, Promoters Group and Director are involved in certain legal proceedings; any adverse decision in such proceedings may render us liable to penalties and may adversely affect our business and results of operations.
2. Our Company has in the past not made, and/or delayed in making, and/or erroneously made certain filings under the erstwhile Listing Agreement, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 / other regulations made under the SEBI Act, 1992.
3. The debt/equity ratio of our Company as at March 31, 2019 was 286.34 times which was substantially high.
4. No tangible assets will be created out of the rights issue proceeds. The issue proceeds shall be utilized towards part repayment or prepayment of unsecured loans availed from the Promoter/Promoter group.
5. Our Company has not filed certain forms and/or not kept statutory records in a manner as prescribed under the Companies Act. Further our Company might have in the past conducted its operations which may result into violations of Companies act and the same might attract penal action from Registrar of Companies, Bangalore and or other relevant authorities against us.

For further details, please see the section titled "Risk Factors" beginning on page no. 14 of the Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the company and amount involved: Nil

B. Brief details of top 5 material outstanding litigations against the company and amount involved: Nil

C. Regulatory Actions – disciplinary action taken by SEBI or stock exchange against Promoters/ Group Companies in last 5 financial years including outstanding action, if any: Nil

D. Brief details of outstanding criminal proceedings against Promoters: Nil

For further details, please see section entitled “Outstanding Litigations and Material Developments” on page 200 of the Letter of Offer.

ANY OTHER IMPORTANT INFORMATION**Procedure for Application**

The CAF for the Rights Equity Shares offered as part of the Issue would be printed in black ink for all Eligible Equity Shareholders. The CAF along with the Abridged Letter of Offer shall be dispatched through registered post or speed post at least three days before the Issue Opening Date. In case the original CAFs are not received by the Investor or is misplaced by the Investor, the Investor may request the Registrar to the Issue, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID Number, Client ID Number and their full name and address. In case the signature of the Equity Shareholder(s) does not match with the specimen registered with our Company, the application is liable to be rejected.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the CAF/duplicate CAF attributable to postal delays or if the CAF/duplicate CAF are misplaced in the transit. Equity Shareholders should note that those who are making the application in such duplicate CAF should not utilise the original CAF for any purpose, including renunciation, even if the original CAF is received or found subsequently. If any Equity Shareholder violates any of these requirements, he/she shall face the risk of rejection of both applications. Please note that in accordance with the provisions of SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are QIBs or Non-Institutional Investors must mandatorily make use of ASBA facility.

All QIB applicants, Non-Institutional Investors and other Applicants whose Application Amount exceeds ₹ 2 lakhs can participate in the Issue only through the ASBA process, subject to their fulfilling the eligibility conditions to be an ASBA Investor. Further all QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 2 lakhs, subject to their fulfilling the eligibility conditions to be an ASBA Investor. The Investors who are (i) not QIBs, (ii) not Non-Institutional Investors or (iii) investors whose application amount is less than ₹ 2 lakhs can participate in the Issue either through the ASBA process or the non ASBA process.

Please also note that by virtue of circular no. 14, dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been de recognised as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Any Equity Shareholders being an OCB is required to obtain prior approval from RBI for applying in this Issue.

Application on Plain Paper - Non ASBA

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with demand draft, net of bank and postal charges payable at Mumbai which should be drawn in favour of the “Shri Keshav Cements & Infra Limited– Rights Issue – R” in case of the resident shareholders and non-resident shareholders applying on non-repatriable basis and in favour of the “Shri Keshav Cements & Infra Limited – Rights Issue – NR” in case of the non-resident shareholders applying on repatriable basis and send the same by registered/speed post directly to the Registrar to the Issue so as to reach Registrar to the Issue on or before the Issue Closing Date.

The envelope should be superscribed “Shri Keshav Cements & Infra Limited – Rights Issue – R” in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and “Shri Keshav Cements & Infra Limited – NR” in case of non-resident shareholders applying on repatriable basis.

The application on plain paper, duly signed by the Investors including joint holders, in the same order as per specimen recorded with our Company, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of Issuer, being Shri Keshav Cements & Infra Limited;
- Name and address of the Equity Shareholder

including joint holders; •Registered Folio Number/DP and Client ID no.; •Number of Equity Shares held as on Record Date; •Number of Rights Equity Shares entitled to; •Number of Rights Equity Shares applied for; •Number of additional Rights Equity Shares applied for, if any; •Total number of Rights Equity Shares applied for; •Total amount paid at the rate of ₹ 41/- per Rights Equity Share; •Particulars of cheque/demand draft; •Savings/Current Account Number and name and address of the bank where the Equity Shareholder will be depositing the refund order. In case of Equity Shares allotted in demat form, the bank account details will be obtained from the information available with the Depositories; •Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants; •Share certificate numbers and distinctive numbers of Equity Shares, if held in physical form (Rights Equity Shares will be allotted in physical form only if the Equity Shares held on the Record Date are in the physical form); •Allotment option preferred - physical or demat form, if held in physical form; •Signature of the Equity Shareholders to appear in the same sequence and order as they appear in our records or the Depositories' records; •In case of Non-Resident Equity Shareholders, NRE/FCNR/NRO A/c No. name and address of the bank and branch; •If payment is made by a draft purchased from an NRE/FCNR/NRO A/c No., as the case may be, an Account debit certificate from the bank issuing the draft, confirming that the draft has been issued by debiting NRE/FCNR/NRO A/c.

Application on Plain Paper - ASBA

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper. The Equity Shareholder shall submit the plain paper application to the Designated Branch of SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper from any address outside India will not be accepted.

The envelope should be superscribed "Shri Keshav Cements & Infra Limited – Rights Issue – R" in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and "Shri Keshav Cements & Infra Limited – Rights Issue – NR" in case of non-resident shareholders applying on repatriable basis and should be postmarked in India. The application on plain paper, duly signed by the Investors including joint holders, in the same order as per the specimen recorded with our Company, must reach the SCSBs before the Issue Closing Date and should contain the following particulars:

•Name of Issuer, being Shri Keshav Cements & Infra Limited; •Name and address of the Equity Shareholder including joint holders; •Registered Folio Number/DP and Client ID no.; •Number of Equity Shares held as on Record Date; •Number of Rights Equity Shares entitled to; •Number of Rights Equity Shares applied for; •Number of additional Rights Equity Shares applied for, if any; •Total number of Rights Equity Shares applied for; •Total amount to be blocked at the rate of ₹ 41/- per Rights Equity Share; •Except for applications on behalf of the Central or State Government and the officials appointed by the courts, PAN of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue; •Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB; •In case of non-resident investors, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained; •Signature of the Shareholders to appear in the same sequence and order as they appear in our records or depositories records.

Additionally, all such eligible equity shareholders making application on plain paper (**ASBA & Non ASBA**) are deemed to have accepted the following:

"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States") or to, or for the account or benefit of a "U.S. Person" as defined in Regulation S under the US Securities Act ("Regulation S"). I/we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/we understand that none of the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company has reason to believe is, a resident of the

United States “U.S. Person” (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement and/or the Rights Equity Shares is/are, outside the United States, (ii) am/are not a “U.S. Person” as defined in Regulation S, and (iii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilise the original CAF for any purpose including renunciation even if it is received subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications. We shall refund such application amount to the Investor without any interest thereon and no liability shall arise on part of our Company, Lead Manager and our Directors. Investors are requested to note that CAF or plain paper application with only foreign addresses is liable to be rejected on technical grounds. The CAF or plain paper application should contain the Indian address also if foreign address is mentioned. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Equity Shareholders in the ratio of one thousand three hundred and forty one (1341) Rights Equity Share for every one thousand (1000) fully paid-up Equity Shares (i.e. 1341:1000) held on the Record Date (i.e. September 19, 2019).

Fractional entitlements

Fractional entitlement if any will be rounded off to the next higher integer and the share required for the same will be adjusted from one of the promoter’s entitlement.

Renunciation

This Issue includes a right exercisable by you to renounce the Equity Shares offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that our Company shall not Allot and/or register any Equity Shares in favour of the following Renouncees: (i) more than three persons (including joint holders), (ii) partnership firm(s) or their nominee(s), (iii) minors (except applications by minors having valid demat accounts as per the demographic details provided by the Depositors), (iv) HUF (however, you may renounce your Rights Entitlements to the Karta of an HUF acting in his capacity of Karta), or (v) any trust or society (unless the same is registered under the Societies Registration Act, 1860 or the Indian Trust Act, 1882, as amended or any other applicable law relating to societies or trusts and is authorised under its constitutions or bye-laws to hold equity shares, as the case may be). Additionally, existing Equity Shareholders may not renounce in favour of persons or entities which would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities or other laws. Equity Shareholders may also not renounce in favour of persons or entities in the United States or to the account or benefit of a U.S. person (as defined in Regulation S) or to who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognised as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003.

Accordingly, the existing Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renounee shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s).

The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Shareholders renouncing their rights in favour of OCBs may do so provided such renounee obtains a prior approval from the RBI. On submission of such approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Part 'A' of the CAF must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid. Submission of the CAF to the Banker to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part 'B' of the CAF) duly filled in shall be conclusive evidence for our Company of the fact of renouncement to the person(s) applying for Rights Equity Shares in Part 'C' of the CAF for the purpose of Allotment of such Rights Equity Shares. The Renounees applying for all the Rights Equity Shares renounced in their favour may also apply for additional Rights Equity Shares. Part 'A' of the CAF must not be used by the Renounee(s) as this will render the application invalid. Renounee(s) will have no right to further renounce any Rights Equity Shares in favour of any other person.

Procedure for renunciation

To renounce all the Rights Equity Shares offered to an Equity Shareholder in favour of one Renounee

If you wish to renounce the offer indicated in Part 'A', in whole, please complete Part 'B' of the CAF. In case of joint holding, all joint holders must sign Part 'B' of the CAF. The person in whose favour renunciation has been made should complete and sign Part 'C' of the CAF. In case of joint Renounees, all joint Renounees must sign Part 'C' of the CAF.

To renounce in part/or the whole to more than one person(s)

If you wish to either accept this offer in part and renounce the balance or renounce the entire offer under this Issue in favour of two or more Renounees, the CAF must be first split into requisite number of SAFs. Please indicate your requirement of SAFs in the space provided for this purpose in Part 'D' of the CAF and return the entire CAF to the Registrar to the Issue so as to reach them latest by the close of business hours on the last date of receiving requests for SAFs. On receipt of the required number of SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Equity Shareholder(s), who has renounced the Rights Equity Shares, does not match with the specimen registered with our Company/DP, the application is liable to be rejected.

Renounee(s)

The person(s) in whose favour the Rights Equity Shares are renounced should fill in and sign Part 'C' of the CAF and submit the entire CAF to the Banker to the Issue on or before the Issue Closing Date along with the application money in full. The Renounee cannot further renounce.

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Equity Shares offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under "*Terms of the Issue-Basis of Allotment*" on page 251 of the Letter of Offer.

Under the foreign exchange regulations currently in force in India, transfers of shares between Non-Residents and residents are permitted subject to compliance with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or certain other conditions, then the prior approval of the RBI will be required. FVCIs, Category - I AIFs and VCFs are not

permitted to participate in the rights issue by listed companies. For details on restrictions on eligibility by FPIs and FVCIs, see "Terms of the Issue - Investment by FPIs and NRIs" and "Terms of the Issue - Investment by AIFs, FVCIs and VCFs" on page 256 of the Letter of Offer.

If you desire to apply for additional Equity Shares, please indicate your requirement in the place provided for additional Equity Shares in Part A of the CAF. The Renouncee applying for all the Equity Shares renounced in their favour may also apply for additional Rights Equity Shares.

Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Intention of our Promoters and Promoter Group to subscribe to their rights entitlement

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

Ex-rights Price: The ex-rights price of the Equity Shares as per regulation 10(4)(b)(ii) of the Takeover Regulations is ₹ 48.70.

DECLARATION BY THE COMPANY

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in the Letter of Offer is contrary to the provisions of the Companies Act, the SCRA, SCRR, the SEBI Act or rules or regulations made or guidelines issued thereunder, as the case may be. We further certify that all disclosures and statements made in this Letter of Offer are true and correct.

Place: Belagavi

Date: September 18, 2019