Placement Document
Not for circulation
Private and confidential
Serial No. ___

NATH BIO-GENES (INDIA) LIMITED

*Nath Bio-Genes (India) Limited (the "Company" or "Issuer") was incorporated as "Shivnath Farms Private Limited" on July 14, 1993 as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). Pursuant to conversion of our Company to a public limited company the name of our Company was changed to "Shivnath Farms Limited" and a fresh certificate of incorporation reflecting the new name was issued by the RoC on September 13, 2000. Thereafter, the name of our Company was changed to "Nath Bio-Genes (India) Limited" and a certificate of incorporation pursuant to change of name was issued by RoC on March 5, 2001. For further details with respect to change of name, please see section "General Information" on page174.*

Registered Office: Nath House, Nath Road, Aurangabad – 431 005, Maharashtra, India; **Telephone:** +91 240 2376314-17; **Fax:** +91 240 2376188; **Website:** www.nathbiogenes.com; **Email:** investor@nathbiogenes.com; **CIN:** L01110MH1993PLC072842.

Our Company is issuing up to 30,00,000 equity shares of face value ₹ 10 each (the "**Equity Shares**") at a price of ₹ 455.00 per Equity Share, including a premium of ₹ 445.00 per Equity Share, aggregating up to ₹ 13,650.00 Lacs (the "**Issue**").

ISSUE IN RELIANCE UPON CHAPTER VIII OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER

THIS ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING MADE TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED UNDER THE ICDR REGULATIONS ("QIBs") IN RELIANCE ON CHAPTER VIII OF THE ICDR REGULATIONS AND SECTION 42 OF THE COMPANIES ACT, 2013, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO QIBs. THIS PLACEMENT DOCUMENT WILL BE CIRULATED ONLY TO SUCH QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO EQUITY SHARES.

Invitations, offers and sale of the Equity Shares shall only be made pursuant to the Preliminary Placement Document together with the Application Form (as defined hereinafter) and the Placement Document (as defined hereinafter) and the Confirmation of Allotment Note (as defined hereinafter). See the section *"Issue Procedure"* beginning on page 132. The distribution of this Placement Document or the disclosure of its contents to any person other than QIBs (as defined in the ICDR Regulations) and persons retained by QIBs to advise them with respect to their purchase of the Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

A copy of this Placement Document (which includes disclosures prescribed under Form PAS-4 under the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (as defined hereinafter) has been delivered to the Stock Exchanges. A copy of the Placement Document (which will include disclosures prescribed under Form PAS-4 (as defined hereinafter)) will be filed with the Stock Exchanges. Our Company shall also make the requisite filings with the RoC and the Securities and Exchange Board of India ("**SEBI**") within the stipulated period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014. This Placement Document has not been reviewed by SEBI, the Reserve Bank of India ("**RBI**"), the Stock Exchanges or any other regulatory or listing authority and is intended only for use by Eligible QIBs on a private placement basis and is not an offer to the public or to any other class of investors. This Placement Document has not been and will not be registered as a prospectus with the RoC, and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction. The Issue is meant only for eligible QIBs by way of a private placement and is not an offer to the public or to any other class of investors.

INVESTMENTS IN EQUITY SHARES INVOLVE A DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THIS ISSUE UNLESS THEY ARE PREPARED TO RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "RISK FACTORS" BEGINNING ON PAGE 36 BEFORE MAKING AN INVESTMENT DECISION IN THIS ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES TO IT OF AN INVESTMENT IN THE EQUITY SHARES PROPOSED TO BE ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT.

Our Company's outstanding Equity Shares are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited (the "**NSE**") (the BSE and the NSE collectively the "**Stock Exchanges**"). The closing price of the outstanding Equity Shares on BSE and NSE on January 19, 2018 was ₹ 537.80 and ₹ 538.80 per Equity Share, respectively. In-principle approvals under regulation 28(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing Regulations**") for listing of the Equity Shares have been received from BSE and NSE on January 18, 2018. Applications to the Stock Exchanges will be made for the listing of the Equity Shares offered through this Placement Document. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to trading on the Stock Exchanges should not be taken as an indication of the merits of the business of our Company or the Equity Shares.

YOU MAY NOT AND ARE NOT AUTHORISED TO (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENT OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

THIS PLACEMENT DOCUMENT HAS BEEN PREPARED BY OUR COMPANY SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE OF THE EQUITY SHARES DESCRIBED IN THIS PLACEMENT DOCUMENT.

Information on our Company's website or any website directly or indirectly linked to our Company's website or the websites of the Book Running Lead Manager or its affiliates does not form part of this Placement Document and prospective investors should not rely on such information contained in, or available through, such websites.

The Equity Shares being offered and sold in this Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**"), or any state securities laws of the United States and may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" (as defined Regulation S under the U.S. Securities Act ("**Regulation S**")) in accordance with Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For a description of the selling restrictions in certain other jurisdictions, see *"Selling Restrictions"* beginning on page 145. The Equity Shares are transferable only in accordance with the restrictions described in "*Transfer Restrictions*" beginning on page 151.

This Placement Document is dated January 25, 2018.

BOOK RUNNING LEAD MANAGER

PRIME SECURITIES LIMITED

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Placement Document and confirms that to its best knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to us and the Equity Shares that is material in the context of the Issue. The statements contained in this Placement Document relating to our Company and the Equity Shares are, in all material respects, true and accurate and not misleading. The opinions and intentions expressed in this Placement Document with regard to our Company and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company. There are no other facts in relation to our Company and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

Prime Securities Limited, the Book Running Lead Manager ("**BRLM**") has made reasonable enquiries but has not separately verified the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the BRLM, nor any of its shareholders, employees, counsel, officers, directors, representatives, agents or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLM or any of their shareholders, employees, counsels, officers, directors, representatives, agents or affiliates, as to the accuracy or completeness of the information contained in this Placement Document or any other information supplied in connection with the Equity Shares or their distribution. Each person receiving this Placement Document acknowledges that such person has not relied on the BRLM or on any of their shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of our Company and the merits and risks involved in investing in the Equity Shares. Prospective investors should not construe the contents of this Placement Document as legal, tax, accounting or investment advice.

No person is authorized to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Company or by or on behalf of the BRLM. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares have not been approved, disapproved or recommended by any other regulatory authority in any jurisdiction including the United States Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary is a criminal offense in the United States and may be a criminal offense in other jurisdictions.

The distribution of this Placement Document and the issuance of Equity Shares pursuant to this Issue may be restricted by law in certain jurisdictions. The Equity Shares have not been recommended by any foreign, federal or state securities commission or regulatory authority. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by any one in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company and the BRLM which would permit an issue of the Equity Shares or distribution of this Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any other Issue-related materials in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, or any state securities laws of the United States and unless so registered may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For a description of the selling restrictions in certain other jurisdictions, see *"Selling Restrictions"* beginning on page 145. The Equity Shares are transferable only in accordance with the restrictions described in the section titled *"Transfer Restrictions"* beginning on page 151. Purchasers of the Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the sections "*Representations by Investors*" beginning on page 4.

The distribution of this Placement Document or the disclosure of its contents without the prior consent of the Company to any person, other than QIBs whose names are recorded by our Company prior to the invitation to subscribe to the Issue, in consultation with the BRLM or its representatives, and those retained by QIBs to advise them with respect to their purchase of the Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company and the BRLM which would permit an offering of the Equity Shares or distribution of this Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of this Placement Document as legal, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning this Issue. In addition, neither our Company nor the BRLM is making any representation to any offeree or purchaser of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or purchaser under applicable legal, investment or similar laws or regulations.

Each subscriber of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in our Company under Indian law, including Chapter VIII of the ICDR Regulations and Section 42 of the Companies Act, 2013, and that it is not prohibited by SEBI or any other statutory authority from buying, selling or dealing in the securities including the Equity Shares. Each subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Placement Document contains summaries of the terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

The information on our Company's website, www.nathbiogenes.com, or any website directly or indirectly linked to our Company's website does not constitute or form part of this Placement Document. Prospective investors should not rely on the information contained in, or available through such websites.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

For information for investors in certain other jurisdictions, please see sections *"Selling Restrictions"* and *"Transfer Restrictions"* on pages 145 and 151, respectively.

REPRESENTATIONS BY INVESTORS

All references herein to "you" or "your" is to the prospective investors in the Issue. By subscribing to any Equity Shares in the Issue, you are deemed to have represented, warranted, acknowledged and agreed to our Company and the BRLM, as follows:

- you are a QIB as defined in Regulation 2(1)(zd) of the ICDR Regulations and not excluded pursuant to Regulation 86(1)(b) of the ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allocated to you in accordance with Chapter VIII of the ICDR Regulations, the Companies Act and all other applicable laws; and (ii) undertake to comply with the ICDR Regulations, the Companies Act and all other applicable laws, including any reporting obligations, if any;

- If you are not a resident of India, but a QIB, you are an Eligible FPI as defined in the Preliminary Placement Document and this Placement Document and have a valid and existing registration with SEBI under the applicable laws in India, and can participate in the Issue only under Schedule 2 of FEMA 20. Non-resident QIBs including FVCIs, multilateral and bilateral development financial institutions are permitted to participate in the Issue;

- you are eligible to invest in India under applicable laws, including FEMA 20, as amended and any notification, circulars or clarification issued thereunder, and have not been prohibited by SEBI or any other regulatory authority from buying, selling or dealing in securities;

- you will make all necessary filings with the appropriate regulatory authorities including with the RBI, as required, pursuant to applicable laws;

- if you are Allotted Equity Shares pursuant to this Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on floor of the Stock Exchanges;

- you are aware that this Placement Document has not been, and will not be, registered as a prospectus under the Companies Act, 2013 and the ICDR Regulations or under any other law in force in India. You are aware that this Placement Document has not been reviewed, verified or affirmed by SEBI, RBI or the Stock Exchanges or RoC or any other regulatory or listing authority and is intended for use only by QIBs. The Preliminary Placement Document has been filed (and this Placement Document will be filed) with the Stock Exchanges for record purposes only and this Placement Document has been displayed on the websites of our Company and the Stock Exchanges;

- you are entitled and have necessary capacity subscribe for , and acquire, the Equity Shares under the laws of all relevant jurisdictions which apply to you and that you have fully observed such laws and obtained all such governmental and other consents in each case which may be required there under and complied with all necessary formalities and have obtained all necessary consents and authorities to enable you to commit to participation in this Issue and to perform your obligations in relation thereto (including, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Placement Document), and will honour such obligations;

- neither our Company nor the BRLM nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates is making any recommendation to you or, advising you regarding the suitability of any transactions it may enter into in connection with this Issue; your participation in this Issue is on the basis that you are not, and will not, up to Allotment, be a client of the BRLM and that neither the BRLM nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have any duty or responsibilities to you for providing the protection afforded to their clients or customers for providing advice in relation to this Issue and are not in any way acting in any fiduciary capacity;

- you confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by us or our agents ("**Company Presentations**") with regard to us or this Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the BRLM may not have knowledge of the statements that we or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLM has advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material information relating to our Company and this Issue that was not publicly available;

- all statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our products), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place reliance on forward looking statements, which speak only as at the date of this Placement Document. We assume no responsibility to update any of the forward-looking statements contained in this Placement Document;

- you are aware and understand that the Equity Shares are being offered only to QIBs and are not being offered to the general public, and the Allotment of the same shall be on a discretionary basis at the discretion of our Company and the BRLM;

- you are aware that if you are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their websites and you consent to such disclosures. Also if you are a top 10 shareholders in our Company, our Company will be required to make a filing with the ROC within 15 days of the change, as per Section 93 of the Companies Act, 2013;

- you have been provided a serially numbered copy of the Preliminary Placement Document and this Placement Document and have read in its entirety including, in particular "*Risk Factors*" on page 36;

- in making your investment decision (i) you have relied on your own examination of our Company and the terms of this Issue, including the merits and risks involved; (ii) you have made your own assessment of our Company, the Equity Shares and the terms of this Issue based solely on the information contained in this Placement Document and no other disclosure or representation by us or any other party; (iii) you have consulted your own independent advisors (including tax advisors) or otherwise have satisfied yourself concerning, without limitation, the effects of local laws and taxation matters; (iv) you have relied solely on the information contained in this Placement Document and no other disclosure or representation by us or the BRLM or any other party; (v) you have received all information that you believe is necessary or appropriate in order to make an investment decision in respect of us and the Equity Shares; and (vi) relied upon your investigation and resources in deciding to invest in this Issue. You are seeking to subscribe to/acquire the Equity shares in this Issue for your own investment and not with a view to resale or distribution;

- neither the BRLM nor any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the BRLM or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates when evaluating the tax consequences in relation to the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You waive, and agree not to assert any claim against our Company or the BRLM or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

- you are a sophisticated investor and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares and you and any accounts for which you are subscribing to the Equity Shares: (i) are each able to bear the economic risk of the investment in the Equity Shares; (ii) will not look to us, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise; (iii) are able to sustain a complete loss on the investment in the Equity Shares; (iv) have no need for liquidity with respect to the investment in the Equity Shares; and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;

- where you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire the Equity Shares for each managed account and to make (and you hereby make) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

- you agree and acknowledge that in terms of Section 42(7) of the Companies Act, 2013, we shall file the list of QIBs (to whom this Placement Document is circulated) along with other particulars with the RoC within 30 days of circulation of the Placement Document and other filings required under the Companies Act, 2013;

- you are not a 'Promoter' of our Company, as defined under the Companies Act, 2013 and the ICDR Regulations, and are not a person related to the Promoter or to group companies of the Promoter, either directly or indirectly and your Bid does not directly or indirectly represent the Promoter or Promoter Group or persons related to the Promoter of our Company or to group companies of the Promoter of our Company;

- you have no rights under a shareholders' agreement or voting agreement with the Promoter or persons related to the Promoter, no veto rights or right to appoint any nominee director on the Board of Directors of our Company other than such rights acquired, if any, in the capacity of a lender not holding any Equity Shares of our Company, the acquisition of which shall not deem you to be a Promoter, a person related to the Promoter;

- you have no right to withdraw your Bid after the Issue Closing Date;

- you are eligible to Bid and hold the Equity Shares so Allotted together with any Equity Shares held by you prior to this Issue. You further confirm that your aggregate holding upon this Issue of the Equity Shares shall not exceed the level permissible as per any applicable regulations;

- the Bid submitted by you would not eventually result in triggering a tender offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("**Takeover Code**");

- your aggregate holding, together with other QIBs participating in this Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the present Issue, shall not exceed 50% of this Issue. For the purposes of this representation:

    a. the expression "belongs to the same group" shall be interpreted by applying the concept of "companies under the same group" as provided in sub-section (11) of Section 372 of the Companies Act, 1956; and

b. "Control" shall have the same meaning as is assigned to it under Regulation 2 (i)(e) of the Takeover Code;

- you shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approval for the Equity Shares is issued by the Stock Exchanges;

- you are aware that (i) applications for in-principle approval, in terms of Regulation 28(1) of the Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and an approval has been received from each of the Stock Exchanges, and (ii) the application for the listing and trading approval will be made only after Allotment. There can be no assurance that the approvals for listing and trading in the Equity Shares will be obtained in time or at all. We shall not be responsible for any delay or non-receipt of such approvals for listing and trading or any loss arising from such delay or non-receipt;

- You are aware that if you are Allotted any Equity Shares, our Company is required to disclose details such as your name, address, Permanent Account Number, E-mail ID and the number of Equity Shares Allotted to the RoC and you consent to such disclosures;

- you are aware and understand that the BRLM has entered into a placement agreement with our Company (the "**Placement Agreement**") whereby the BRLM has, subject to the satisfaction of certain conditions set out therein, agreed to manage the Issue and use their reasonable endeavors to seek to procure subscriptions for the Equity Shares on the terms and conditions set forth herein;

- the contents of this Placement Document are our exclusive responsibility and neither the BRLM nor any person acting on their behalf, nor any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates has, or shall have, any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of us and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in this Placement Document or otherwise. By accepting a participation in this Issue, you agree and confirm that you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLM or us or any other person and neither the BRLM, nor we or our respective directors, officers, employees, counsel, advisors, representatives, agents or affiliates or any other person will be liable for your decision to participate in this Issue based on any other information, representation, warranty or statement that you may have obtained or received;

- the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares, is contained in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares issued in pursuance of this Issue and that you have neither received nor relied on any other information given or representations, warranties or statements made by BRLM (including any view, statement, opinion or representation expressed in any research published or distributed by the BRLM or its affiliates or any view, statement, opinion or representation expressed by any staff (including research staff) of the BRLM or its affiliates) or our Company or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates and neither the BRLM nor our Company or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

- you understand that neither the BRLM nor its affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in this Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with this Issue, including non-performance by us of any of our obligations or any breach of any representations or warranties by us, whether to you or otherwise;

- you agree to indemnify and hold us and the BRLM and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements and agreements made by you in this Placement Document. You agree that the indemnity set forth in this section shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

- you agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of India, and the courts in Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document and this Placement Document;

- each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;

- we, the BRLM, its affiliates and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements, undertakings and agreements which are given to the BRLM on its own behalf and on behalf of us and are irrevocable and it is agreed that if any of such representations, warranties, acknowledgements, undertakings and agreements are no longer accurate, you will promptly notify to the BRLM;

- you are a sophisticated investor who is seeking to purchase the Equity Shares for your own investment and not with a view to distribution. In particular, you acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investment matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;

- you are aware that additional requirements would be applicable if you are in jurisdictions other than India, as set forth under sections "*Selling Restrictions*" and "*Transfer Restrictions*" of this Placement Document and you are entitled to acquire the Equity Shares under the laws of all relevant jurisdictions and that you have all necessary capacity and have obtained all necessary consents and authorities to enable you to commit to this participation in this Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorities to agree to the terms set out or referred to in this Placement Document) and will honour such obligations;

- you are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts (as defined in Regulation S) and you understand and agree that offers and sales are being made only outside the United States in offshore transactions in reliance on Regulation S; and

- you understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States, and accordingly, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, and that the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S; and

- you have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and agreements set forth in this section and in "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 145 and 151, respectively.

OFF-SHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the Securities and Exchange Board of India (Foreign Portfolio Investors Regulations, 2014 ("**SEBI FPI Regulations**"), a FPI (other than a Category III foreign portfolio investors and unregulated broad based funds which are classified as Category II FPI by virtue of their investment manager being appropriately regulated), including the affiliates of the BRLM, may issue, subscribe or otherwise deal in offshore derivative instruments as defined under the SEBI (FPI) Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying and all such offshore derivative instruments are referred to herein as "**P-Notes**" for which they may receive compensation from the purchasers of such P-Notes. These P-Notes may be issued only in favour of those entities which are regulated by any appropriate foreign regulatory authorities in the countries of their incorporation or establishment subject to compliance with "know your client" requirements. An FPI must ensure that the P-Notes are issued in compliance with all applicable laws including Regulation 22 of the SEBI (FPI) Regulations and circular no. CIR/IMD/FIIC/20/2014 dated November 24, 2014 read with the clarifications issued by SEBI vide circular no. CIR/IMD/FPI&C/ 61/2016 dated June 29, 2016. P-Notes have not been and are not being offered or sold pursuant to this Placement Document. This Placement Document does not contain any information concerning P-Notes, including, without limitation, any information regarding any risk factors relating thereto. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligations of, claim on, or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes.

Any P-Notes that may be offered are issued by, and are solely the obligations of, third parties that are unrelated to our Company. Our Company and the BRLM do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLM and do not constitute any obligations of, or claims on, the BRLM. FPI affiliates (other than Category III FPI and unregulated broad based funds which are classified as FPI by virtue of their investment manager being appropriately regulated) of the BRLM may purchase, to the extent permissible under law, Equity Shares in this Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosure as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE OF STOCK EXCHANGES

As required, a copy of the Preliminary Placement Document has been submitted to each of the Stock Exchanges and a copy of this Placement Document will be filed with the Stock Exchanges. The Stock Exchanges do not in any manner:

(1) warrant, certify or endorse the correctness or completeness of any the contents of this Placement Document;

(2) warrant that the Equity Shares pursuant to this Issue will be listed or will continue to be listed on the Stock Exchanges; or

(3) take any responsibility for the financial or other soundness of our Company, its Promoter, its management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that this Placement Document and the Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription or acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION AND FINANCIAL DATA

Certain Conventions

In this Placement Document, unless the context otherwise indicates or implies references to:

- "you", "your", "offeree", "purchaser", "subscriber", "recipient", "investors" and "potential investor" are to the prospective investors in the Equity Shares issued pursuant to this Issue;
- unless otherwise specified, "we", "us" and "our" refers to Nath Bio-Genes (India); and
- unless otherwise specified, "our Company", "the Company" and "the Issuer" refers to Nath Bio-Genes (India) Limited on a standalone basis.

References in this Placement Document to "India" are to the Republic of India and its territories and possessions and the "Government" or the "Central Government" or the "State Government" are to the Government of India, Central or State, as applicable. All references herein to the "U.S." or the "United States" are to the United States of America and its territories and possessions.

Currency of Presentation

In this Placement Document, all references to 'US$', 'U.S. dollars' "U.S. Dollar", "dollars", "US Dollars", "USD" or "$" are to the legal currency of the United States of America. All references to 'INR', '₹', 'Rs.', 'Re.', 'Indian Rupees' and 'Rupees' are to the legal currency of India.

Financial Data

We record and publish our financial statements in Rupees. The current financial year of our Company commences on April 1 of each year and ends on March 31 of the following year, and unless otherwise specified or if the context requires otherwise, all references to a particular 'Fiscal Year' or 'FY' or 'financial year' or 'fiscal' are to the 12 months period ended on March 31 of that year. Our audited financial statements as at and for the financial years ended March 31, 2015, March 31, 2016 and March 31, 2017 ("**Audited Financial Statements**") included herein, have been prepared in line with the accounting principles generally accepted in India (the "**Indian GAAP**"), the Companies Act 1956, as amended, and the Companies Act, 2013, as applicable, and the requirements under the Listing Regulations, and have been audited by the Statutory Auditors, in accordance with the applicable generally accepted auditing standards in India prescribed by the ICAI; and our unaudited financial statements for the six month period ended September 30, 2017 ("**Reviewed Financial Statements**"), included herein, have been prepared in line with the Companies (Indian Accounting Standards) Rules, 2015, as amended, the Companies Act, 2013, and the requirements under the Listing Regulations, and have been reviewed by the Statutory Auditors in accordance with other accounting principles generally accepted in India.

Unless the context otherwise requires and unless so specified, all financial data in this Placement Document are derived from our Company's financial statements and not derived from the comparative data for such respective financial year. Unless otherwise indicated or the context requires otherwise, all financial data in this Placement Document is derived from our Audited Financial Statements and Reviewed Financial Statements.

Indian GAAP differs in certain respects significantly from Ind-AS. Our Company was required to mandatorily adopt Ind-AS for the accounting period beginning from April 1, 2017. However, we have not determined with any degree of certainty the impact such adoption will have on its financial reporting. There can be no assurance that our financial condition, results of operations, cash flows or changes in shareholders' equity will not appear materially worse under Ind-AS than under Indian GAAP. See the section *"Risk Factors - Internal Risks – Our Company has transitioned in accounting standards and has started preparing its financial statements, from the period beginning April 1, 2017, under Ind-AS. The transition to Ind-AS in India may adversely affect us."* and *"Summary of key differences between Indian GAAP and Ind-AS"* on page 36 and 86.

Further, Indian GAAP differs in certain significant respects from United Kingdom Accounting Standards (United

Kingdom Generally Accepted Accounting Practice), International Financial Reporting Standards (the "**IFRS**") and generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**"). We have not attempted to quantify the impact of United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) or U.S. GAAP or IFRS on the financial data included in this Placement Document, nor do we provide a reconciliation of our financial statements to those of United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) or U.S. GAAP or IFRS. Each of United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), U.S. GAAP and IFRS differ in significant respects from Indian GAAP. See the section "*Risk Factors –Significant differences exist between Indian GAAP used throughout our financial information and other accounting principles, such as U.S. GAAP or IFRS, with which investors may be more familiar.*" on page 36. Accordingly, the degree to which the Audited Financial Statements prepared in accordance with Indian GAAP and Reviewed Financial Statements prepared in accordance with Ind-AS included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with the respective accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited.

In this Placement Document, certain monetary thresholds have been subjected to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Placement Document in "lakh" units. One lakh represents 1,00,000.

INDUSTRY AND MARKET DATA

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to our businesses contained in this Placement Document consists of estimates based on data reports compiled by government bodies, professional organizations and analysts, data from other external sources. Unless stated otherwise, the statistical information included in this Placement Document relating to the industry in which we operate has been reproduced from various trade, industry, government publications and websites and publicly available information.

This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organizations) to validate market-related analyses and estimates, thus requiring our Company to rely on internally developed estimates. For further details, please refer to the section titled "*Industry Overview*" on page 93.

Our Company has not commissioned any report for purpose of the Placement Document. This data is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Placement Document are reliable, neither our Company nor the BRLM has independently verified this data and do not make any representation regarding and take any responsibility for the accuracy and completeness of such data. Accordingly, no investment decision should be made on the basis of such information.

Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent source and neither the BRLM nor we can assure potential investors as to their accuracy. Similarly, internal estimates and surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified and neither our Company nor the BRLM make any representation as to the accuracy and completeness of information based on trade, industry and government publications and websites, data reports compiled by government bodies, professional organisations and analysts, or from other external sources

The extent to which the market and industry data used in this Placement Document 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. Accordingly, investment decisions should not be based solely on such information. Potential investors should not place undue reliance on such information forming a part of this Placement Document.

The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

FORWARD – LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward looking statements. All statements regarding our Company's expected financial condition and results of operations; business plans, including potential acquisitions and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's liquidity, growth, business strategy, revenue, dividend policy and profitability, new business and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements and any other projections contained in this Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, performance or achievements to differ materially from any of our Company's forward-looking statements include, among others:

- our ability to maintain our market position;
- seasonal nature of our business and our revenues, cash flows from operations and other operating results may fluctuate on a seasonal and quarterly basis;
- inability to predict accurately the demand for our products and to manage our production and inventory levels;
- inability to maintain our distribution network for sale of our products;
- dependence on the success of our research and development activities;
- inability to obtain and retain adequate numbers of skilled and qualified employees in addition to other manpower that we require for production of seed;
- failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"*, *"Industry Overview"* and *"Our Business"* beginning on pages 66, 93 and 105, respectively. The forward-looking statements contained in this Placement Document are based on the beliefs of management, as well as the assumptions made by, and information currently available to, the management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, our Company's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited company incorporated under the laws of India. All of our directors, senior management personnel and executive officers of our Company are residents of India and all or a substantial portion of the assets of our Company and such persons are located in India. As a result, it may be difficult or may not be possible for investors to affect service of process upon our Company or such persons outside India, or to enforce judgments obtained against such parties in courts outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 (the "Civil Procedure Code"), as amended. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

Under Section 14 of the Civil Procedure Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record; but such presumption may be displaced by proving want of jurisdiction. A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code can be enforced in India (i) by instituting execution proceedings; or (ii) by instituting a suit on such judgment.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Foreign judgments may be enforced by proceedings in execution in certain cases. Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court, (within the meaning of that section) in any country or territory outside India which the GoI has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by an appropriate court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards.

Each of the United Kingdom, Singapore and Hong Kong (among others) are some of the countries that have been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court of a country which is not a reciprocating territory may be enforced only by a suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of such foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian public policy.

A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such a judgment, and any such amount may be subject to income tax in accordance with applicable laws. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per US$ 1.00), for the periods indicated. The exchange rates are based on the reference rates released by the RBI, which are available on the website of the RBI. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

On January 19, 2018, the exchange rate (the RBI reference rate) was ₹ 63.71 to US$ 1.00.

(₹ per US$1.00)

	Period End	Average(1)	High	Low
Fiscal Year Ended:				
March 31, 2017	64.84	67.09	68.72	64.84
March 31, 2016	66.33	65.46	68.78	62.16
March 31, 2015	62.59	61.15	63.75	58.43
Month ended:				
December 31, 2017	63.93	64.24	64.54	63.93
November 30, 2017	64.43	64.86	65.51	64.40
October 31, 2017	64.77	65.08	65.55	64.76
September 30, 2017	65.35	64.48	65.76	63.86
August 31, 2017	64.02	63.97	64.24	63.63
July 31, 2017	64.08	64.46	64.82	64.08

Source: www.rbi.org.in

(1) Average of the official rate for each working day of the relevant period.

Note: In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.

DEFINITIONS AND ABBREVIATIONS

This Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalized terms used in this Placement Document is intended for the convenience of the reader/prospective investor only and is not exhaustive. Unless otherwise specified, the capitalized terms used in this Placement Document shall have the meaning as defined hereunder. Further any references to any statute or regulations or policies shall include amendments thereto, from time to time.

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in *"Taxation - Statement of Tax Benefits"* and *"Financial Statements"* on pages 165 and 176, respectively, shall have the meaning given to such terms in such sections.

Company Related Terms

Term	Description
"the Company", "our Company", "the Issuer", "we", "us" or "our"	Nath Bio-Genes (India) Limited, a company incorporated under the laws of Republic of India having its registered office situated at Nath House, Nath Road, Aurangabad – 431 005, Maharashtra, India.
Articles or Articles of Association	Articles of association of our Company, as amended from time to time.
Auditors	The statutory auditor of our Company, M/s. Ashok R. Majethia, Chartered Accountants, the statutory auditor of our Company.
Board of Directors or Board	The board of directors of our Company and any committee constituted thereof.
Director(s)	The director(s) of our Company.
Equity Shares or Shares	The equity shares of our Company of face value ₹ 10 each.
Memorandum of Association / MOA	Memorandum of association of our Company, as amended from time to time.
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue-related expenses.
Promoter	Promoter of our Company as per the definition provided in Regulation 2(1)(za) of the ICDR Regulations and as reported to the Stock Exchanges being Nandkshor Kagliwal.
Promoter Group	Promoter group of our Company as per the definition provided in Regulation 2(1)(zb) of the ICDR Regulations.
Registered Office	The registered office of our Company located at Nath House, Nath Road, Aurangabad – 431 005, Maharashtra, India.
Registrar of Companies or RoC	The Registrar of Companies, Maharashtra at Mumbai.

Issue Related Terms

Term	Description
Allocated or Allocation	The allocation of Equity Shares following the determination of the Issue Price to QIBs on the basis of Application Forms submitted by such QIBs, in consultation with the Book Running Lead Manager and in compliance with Chapter VIII of the ICDR Regulations.
Allottees	Successful Bidders to whom Equity Shares are issued and Allotted pursuant to the Issue.
Allotment / Allotted	The issue and allotment of Equity Shares pursuant to this Issue.

Term	Description
Application or Bid	Indication of interest from a QIB to subscribe for a specified number of Equity Shares in this Issue on the terms set out in the Application Form to our Company.
Application Form or Bid cum Application Form	The form, including all revisions and modifications thereto, pursuant to which a QIB submits an Application.
Bidder	Any prospective investor, being a QIB, who makes a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form.
Bidding / Issue Period	The period between the Bid/Issue Opening Date and Bid/Issue Closing Date, inclusive of both dates, during which prospective Bidders can submit Bids.
Book Running Lead Manager / BRLM	Prime Securities Limited.
CAN or Confirmation of Allocation Note	Note or advice or intimation to successful Bidders confirming Allocation of Equity Shares to such successful Bidders after determination of the Issue Price and requesting payment for the entire applicable Issue Price for all Equity Shares Allocated to such successful Bidders.
Category III foreign portfolio investor(s)	FPIs who are registered as "Category III foreign portfolio investors" under the SEBI (FPI) Regulations.
Closing Date	On or about January 31, 2018, the date on which the Allotment is expected to be made.
Cut-off Price	The Issue Price of the Equity Shares, which shall be determined by our Company, in consultation with the Book Running Lead Manager.
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottee's demat account, as applicable to the relevant Allottee.
Eligible FPIs	FPIs that are eligible to participate in this Issue and do not include qualified foreign investors or Category III foreign portfolio investors (who are not eligible to participate in the Issue).
Escrow Bank	IDBI Bank Limited.
Escrow Cash Account	The non-interest bearing, no-lien, escrow bank account without any cheque or overdraft facilities opened by our Company with the Escrow Bank under the arrangement between our Company and the Escrow Bank.
Escrow Agreement	Agreement dated January 18, 2018, entered into amongst our Bank, the Escrow Bank and the Book Running Lead Managers for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders.
Floor Price	The floor price of ₹ 468.69 per Equity Share, calculated in accordance with Regulation 85 of the ICDR Regulations.
ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
Issue	The offer and sale of the Equity Shares to QIBs, pursuant to Chapter VIII of the ICDR Regulations and the provisions of Companies Act, 2013.
Issue Closing Date or Bid Closing Date	January 25, 2018, the date on which our Company (or the Book Running Lead Manager on behalf of our Company) shall cease acceptance of Application Forms.
Issue Opening Date or Bid Opening Date	January 22, 2018, the date on which our Company (or the Book Running Lead Manager on behalf of our Company) shall commence acceptance of Application Forms.
Issue Price	The price per Equity Share of ₹ 455.00. Under the ICDR Regulations, the Issue Price cannot be lower than the Floor Price subject to discount of not more than 5% on the Floor Price which may be considered by our Company.
Issue Size	The issue of 30,00,000 Equity Shares aggregating to ₹ 13,650.00 Lacs.
Listing Agreement	The agreement entered into between our Company and each of the Stock Exchanges in relation to listing of the Equity Shares on each of the Stock Exchanges pursuant to requirements of Regulation 109 of the Listing Regulations.
Pay-in Date	The last date specified in the CAN for payment of application monies by the QIBs.

Term	Description
Placement Agreement	The Placement Agreement, dated January 18, 2018, among our Company and the Book Running Lead Manager.
Placement Document	The placement document to be issued by our Company in accordance with Chapter VIII of the ICDR Regulations and Section 42 of the Companies Act, 2013.
Preliminary Placement Document	The preliminary placement document dated January 22, 2018, issued in accordance with Chapter VIII of the ICDR Regulations and Section 42 of the Companies Act, 2013.
QIBs or Qualified Institutional Buyers	Any Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of Chapter VIII of the ICDR Regulations.
QIP or Qualified Institutions Placement	Private placement to QIBs under Chapter VIII of the ICDR Regulations and Section 42 of the Companies Act, 2013 and the Rules made thereunder.
Relevant Date	January 09, 2018 which is the date of the meeting of the Board of Directors or any committee duly authorised by the Board of Directors deciding to open the Issue.

Business and Industry Related Terms

Term	Description
CAI	Cotton Association of India
CPI	Consumer Price Inflation
CSO	Central Statistics Office
CV	Coefficient of variation
ELCV	Euphorbia Leaf Curl Virus
ELISA	Enzyme-Linked Immunosorbent Assay
EU	European Union
FCI	Food Corporation of India
GOT	Grow-Out Test
GVA	Gross Value Added
ICAR	The Indian Council of Agricultural Research
IIP	Index of Industrial Production
IMF	International Monetary Fund
INR	Indian Rupee
KG	Killo Grams
Kharif	Season from April to September which includes sowing and harvesting
kVA	Kilo-Volt-Ampere
kW	Kilowatt
LPA	Long Period Average
MMF	Man-made Fibres
MSP	Minimum Support Price
NFSA	National Food Security Act, 2013
Rabi	Season from October to March which includes sowing and harvesting
R&D	Research and Development
SEA	Solvent Extractor’s Association of India
TPDS	Targeted Public Distribution System
TYLCV	Tomato Yellow Leaf Curl Virus
US	United States of India
WPI	Wholesale Price Inflation
YoY	Year on Year
YVMV	Yellow Vein Mosaic Virus

Conventional and General Terms / Abbreviations

Term	Description
AGM	Annual General Meeting
AIFs	Alternative investment funds (as defined under Regulation 2(1)(b) of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended) registered with the SEBI under applicable laws in India.
AS	Accounting Standards issued by the ICAI
AY	Assessment year
BSE	BSE Limited.
CAGR	Compounded Annual Growth Rate
Category III Foreign Portfolio Investors	An FPI registered as a category III foreign portfolio investor under the SEBI FPI Regulations.
CIN	Corporate identity number
Companies Act	The Companies Act, 1956 and/or the Companies Act, 2013, as applicable
Companies Act, 1956	The Companies Act, 1956 and the rules made 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 and the rules made thereunder, as amended, to the extent in force pursuant to notification of the Notified Sections
Civil Procedure Code	The Code of Civil Procedure, 1908, as amended.
Competition Act	The Competition Act, 2002, as amended
Control	It shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Code.
CDSL	Central Depository Services (India) Limited.
CSR	Corporate Social Responsibility
Delisting Regulations	The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended.
Depository	Any depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended.
Depositories Act	The Depositories Act, 1996, as amended.
Depository Participant	Any depository participant, as defined under the Depositories Act, as amended.
DIN	Director Identification Number
EGM	Extraordinary general meeting
Eligible FPIs	FPIs that are eligible to participate in the Issue and does not include qualified foreign investors and Category III Foreign Portfolio Investors (who are not eligible to participate in the Issue)
EBITA	Earnings before interest, tax and amortization expenses
EBITDA	Earnings before interest, taxes, depreciation and amortization
EPS	Earnings per Share.
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, as amended.
ERP	Enterprise Resource Planning System
ESI Act	The Employees' State Insurance Act, 1948, as amended.
Factories Act	Factories Act, 1948, as amended.
FDI	Foreign Direct Investment.
FDI Policy	Consolidated Foreign Direct Investment Policy notified by DIPP under D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017, effective from August 28, 2017
FEMA	The Foreign Exchange Management Act, 1999, as amended.
FEMA 20(R)/2017/FEMA 20	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FI	Financial Institution.
FIIs	Foreign institutional investors as defined under the SEBI FPI Regulations.
FII Regulations	The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.

Term	Description
Financial Year / Fiscal Year / Fiscal / FY	A period of 12 months ending March 31, unless otherwise stated
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes person who has been registered under the SEBI FPI Regulations or is deemed to be an FPI in terms of SEBI FPI Regulations
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FSMA	The U.K. Financial Services and Markets Act, 2000, as amended.
FVCI	Any foreign venture capital investor (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended) registered with the SEBI under applicable laws in India.
GAAP	Generally Accepted Accounting Principles.
GDP	Gross Domestic Product.
GoI / Government	Government/ Government of India/ Central Government.
Gratuity Act	The Payment of Gratuity Act, 1972, as amended.
IARI	Indian Agricultural Research Institute
IAS	International Accounting Standards.
ICAI	The Institute of Chartered Accountants of India.
ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
Ind-AS	IFRS synchronized Accounting Standards in India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board.
Indian GAAP	Generally Accepted Accounting Principles followed in India, including the accounting standards specified under the Companies (Accounts) Rules, 2014, as amended
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IT Act or the Income Tax Act	The Income Tax Act, 1961, as amended.
ITAT	Income Tax Appellate Tribunal
Lakh	One hundred thousand.
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
MAT	Minimum alternative tax.
MCA	Ministry of Corporate Affairs, Government of India
Minimum Wages Act	Minimum Wages Act, 1948, as amended.
MoU	Memorandum of Understanding.
Mutual Fund	Any mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.
Notified Sections	Sections of Companies Act, 2013 that have been notified by the Government of India
NRI	Non-Resident Indian.
NSDL	The National Securities Depository Limited.
NSE	The National Stock Exchange of India Limited.
p.a.	Per annum.
P/E Ratio	Price/earnings ratio.
PAN	Permanent Account Number.
PAT	Profit after tax
Payment of Bonus Act	Payment of Bonus Act, 1965, as amended.
Payment of Wages Act	Payment of Wages Act, 1936, as amended.
PCB	Pollution Control Board of the relevant states of the republic of India.

Term	Description
Portfolio Investment Scheme	The portfolio investment scheme of RBI specified in Schedule 2 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
Private Placement Regulations	Section 42 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
RBI	The Reserve Bank of India.
₹ / Re. / Rs. / Rupees / INR	Indian Rupees.
Regulation S	Regulation S under the U.S. Securities Act.
SCR (SECC) Rules	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, notified by the SEBI.
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended.
Securities	Shall have the meaning given to such term under the SCRA.
SEBI	The Securities and Exchange Board of India.
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended.
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended.
SENSEX	An index of 30 constituent stocks traded on BSE representing a sample of large, liquid and representative companies.
Stock Exchanges	The BSE and the NSE.
STT	Securities and Transaction Tax.
Takeover Code	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
U.K.	United Kingdom.
U.S. or U.S.A.	United States of America, its territories and its possessions and the District of Columbia.
USD or US Dollar or U.S. Dollar	United States Dollar.
U.S. GAAP	Generally accepted accounting principles followed in the United States.
U.S. Securities Act	The United States Securities Act of 1933, as amended.
VAT	Value Added Tax.
VCF	A venture capital fund as defined under the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.

Notwithstanding the foregoing, terms in *"Financial Statements"*, *"Risk Factors"*, *"Taxation – Statement of Tax Benefits"* and *"Legal Proceedings"* on pages 176, 36, 165 and 168, respectively, shall have the meanings ascribed to such terms in those respective sections.

DISCLOSURE REQUIREMENTS UNDER FORM PAS-4 PRESCRIBED UNDER THE COMPANIES ACT, 2013

The table below sets out the disclosure requirements as provided in Form PAS-4 and the relevant pages in this Placement Document where these disclosures, to the extent applicable, have been provided.

Sr. No.	Disclosure Requirements	Relevant Page of this Placement Document
1.	**GENERAL INFORMATION**	
a.	Name, address, website and other contact details of our Company indicating both Registered Office and corporate office	Cover Page and
b.	Date of incorporation of our Company	Cover page and 174
c.	Business carried on by our Company and its subsidiaries with the details of branches or units, if any.	105 - 114
d.	Brief particulars of the management of our Company.	120 - 129**Error! Bookmark not defined.**
e.	Names, addresses, DIN and occupations of the Directors.	120 - 123
f.	Management's perception of risk factors	36 - 56
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	
(i)	Statutory dues;	NIL
(ii)	Debentures and interest thereon;	NIL
(iii)	Deposits and interest thereon; and	NIL
(iv)	Loan from any bank or financial institution and interest thereon.	NIL
h.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of our Company, if any, for the private placement offer process.	174
2.	**PARTICULARS OF THE OFFER**	
a.	Date of passing of board resolution.	27
b.	Date of passing of resolution in the general meeting, authorising the offer of securities.	27
c.	Kinds of securities offered (i.e. whether share or debenture) and class of security.	27
d.	Price at which the security is being offered including the premium, if any, along with justification of the price.	Cover page and 27
e.	Name and address of the valuer who performed valuation of the security offered.	Not Applicable
f.	Amount which our Company intends to raise by way of securities.	Cover page and 27
g.	Terms of raising of securities:	
(i)	Duration, if applicable;	Not Applicable
(ii)	Rate of dividend;	Not Applicable
(iii)	Rate of interest;	Not Applicable
(iv)	Mode of payment; and	Not Applicable
(v)	Repayment.	Not Applicable
h.	Proposed time schedule for which the offer letter is valid.	19
i.	Purposes and objects of the offer.	61
j.	Contribution being made by the promoter or directors either as part of the offer or separately in furtherance of such objects.	Not Applicable
k.	Principle terms of assets charged as security, if applicable.	Not Applicable
3.	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC**	
a.	Any financial or other material interest of the directors, promoter or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	129

Sr. No.	Disclosure Requirements	Relevant Page of this Placement Document
b.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	168
c.	Remuneration of Directors (during the current year and last three financial years).	125
d.	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided.	176
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remark.	80
f.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for our Company and all of its subsidiaries.	170
g.	Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company.	170
4.	**FINANCIAL POSITION OF THE COMPANY**	
a.	The capital structure of our Company in the following manner in a tabular form:	63
(i)(a)	The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	63
(b)	Size of the present offer; and	63
(c)	Paid up capital:	63
(A)	After the offer; and	63
(B)	After conversion of convertible instruments (if applicable);	Not Applicable
(d)	Share premium account (before and after the offer).	63
(ii)	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	63
a.	Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	63
b.	Profits of our Company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter.	176
c.	Dividends declared by our Company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid).	65 and 79
d.	A summary of the financial position of our Company as in the three audited balance sheets immediately preceding the date of circulation of offer letter.	33
e.	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter.	176
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of our Company.	80

Sr. No.	Disclosure Requirements	Relevant Page of this Placement Document
5.	**A DECLARATION BY THE DIRECTORS THAT**	
a.	Our Company has complied with the provisions of the Act and the rules made thereunder.	177
b.	The compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government.	177
c.	The monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.	177

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including under the sections "Risk Factors", "Use of Proceeds", "Placement", "Issue Procedure" and "Description of the Equity Shares".

Issuer	Nath Bio-Genes (India) Limited
Face value	₹ 10 per Equity Share
Issue Size	The issue of up to 30,00,000 Equity Shares aggregating up to ₹ 13,650.00 Lacs. A minimum of 10 % of the Issue Size shall be available for Allocation to Mutual Funds only and the balance Equity Shares shall be available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allocated to other eligible QIBs.
Issue Price per Equity Share	₹ 455.00
Date of Board Resolution	December 8, 2017
Date of Shareholders' Resolution	January 5, 2018
Floor Price	₹ 468.69 per Equity Share, calculated in accordance with Regulation 85 of the ICDR Regulations. Under the ICDR Regulations, the Issue Price cannot be lower than the Floor Price, subject to permissible discounts in terms of Regulation 85 of the ICDR Regulations.
Equity Shares issued and outstanding immediately prior to the Issue	1,60,04,000 Equity Shares at a face value of ₹ 10 per share.
Equity Shares issued and outstanding immediately after the Issue	1,90,04,000 Equity Shares at a face value of ₹ 10 per share.
Eligible Investors	QIBs as defined in regulation 2(1)(zd) of the ICDR Regulations and Chapter VIII of the ICDR Regulations and not excluded pursuant to Regulation 86 of the SEBI Regulations. Only QIBs which are FIIs and Eligible FPIs are permitted to participate in this Issue. For further details, see the sections "*Issue Procedure – Qualified Institutional Buyers*" on page 132. The list of QIBs to whom the Preliminary Placement Document, the Placement Document and Application Form will be delivered shall be determined by the BRLM in consultation with our Company, at their sole discretion.
Dividend	See *"Description of Equity Shares"*, *"Dividend Policy"* and *"Taxation"* on page 158, 65 and 165 respectively
Indian Taxation	See *"Taxation"* on page 165.
Listing	(i) Applications for approval, in terms of regulation 28(1) of the Listing Regulations with the Stock Exchanges were made and (ii) the application for the final listing and trading approval, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, will be made only after Allotment of the Equity Shares in the Issue and after credit of Equity Shares to the beneficiary account with the Depository Participant, respectively.
Transferability Restrictions	The Equity Shares being Allotted pursuant to this Issue cannot be sold for a period of one year from the date of Allotment, except if sold on the floor

	of the Stock Exchanges. For further details, see the section *"Transfer Restrictions"* on page 151.
Closing Date	The Allotment of the Equity Shares offered pursuant to the Issue is expected to be made on or about January 31, 2018 (the "**Closing Date**").
Ranking	The Equity Shares to be issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company, including rights in respect of dividends. The shareholders of our Company (who hold Equity Shares as on the book closure date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, the Listing Regulations and other applicable laws and regulations. Shareholders of our Company may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act and Listing Regulations. See *"Dividend Policy"* and *"Description of the Equity Shares"* on pages 65 and 158, respectively.
Use of Proceeds	The gross proceeds of the Issue are expected to be approximately ₹ 13,650.00 Lacs. The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately ₹ 13,550.00 Lacs. For further details, please see the section *"Use of Proceeds"* beginning on page 61.
Pay-in Date	Last date specified in the CAN sent to the successful Bidders for payment of application money.
Lock-up	Please see the sub-section titled *"Lock-up"* of *"Placement"* on page 143 for a description of restrictions on our Company and our Promoter in relation to Equity Shares
Risk Factors	For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section "*Risk Factors*" beginning on page 36.
Security codes:	**ISIN:** INE448G01010; **BSE Code**: 537291; **NSE Symbol**: NATHBIOGEN

SUMMARY OF BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise stated, references in this section to the "Company", "we", "our" or "us" are to Nath Bio-Genes (India) Limited. All financial information included herein is based on our financial information included in the chapter titled "Financial Statements" beginning on page 176.

Overview

We are a research and development driven company primarily into the business of production, processing and marketing of high quality hybrid seeds for different field crops like cotton, jowar, bajra, maize, wheat, paddy, mustard, sunflower and wide range of vegetables. In order to diversify our offering, we also forayed into trading of micro nutrient supplements used for increasing enzymatic activities in plant resulting in good metabolic process. Since our incorporation in July, 1993, we have significantly expanded and diversified our product profile, client base and geographical footprint. As on December 31, 2017, we have a product portfolio which includes, seeds for 12 different field crops and vegetables and 1 plant nutrient supplement and have a distribution network in 16 states across India. Further, as on December 31, 2017, we have a pool of germ plasm with approximately 19,000 lines.

We offer a wide range of seeds categorized as research seeds and hybrid seeds. Research seeds are high quality seeds being produced by a backward integration process and offer natural nutrient qualities. These seeds require intensive research and are also called pure seeds. Hybrid seeds are produced through open pollination and cross pollination process. Our products are organized into the four product groups, (i) cereals, which include maize, paddy, pearl millet, wheat and jowar, (ii) fiber and oil seeds which include cotton, mustard and sunflower, (iii) vegetables such as chilli, okara, tomato, brinjal, bottle gourd, bitter gourd, sponge gourd, ridge gourd, cucumber, coriander etc. and (iv) plant nutrient supplements such as Win Chi Win.

We currently have 10 production centres and 2 processing centres in 7 states, out of which the processing centre in Aurangabad is on land which is owned by us. Further, we have 11 research trial stations in 7 states, out of 2 research trial stations are owned by our Company. Our research mainly focuses on developing superior hybrids in different crops suitable for varying agro climatic conditions, such as water availability, crop duration and soil attributes, across different geographic regions. We have made significant investments to enhance our R&D capabilities over the years and believe that our emphasis on R&D has been critical to our success. Our Company has been recognized by the Department of Science and Industrial Research ("**DSIR**"), Government of India as an in-house R&D company. In Fiscal 2017 and the six months ended September 30, 2017, our Company incurred ₹ 867.44 lacs and ₹ 310.49 lacs, respectively, in research and development expenses. As at December 31, 2017, our R&D team comprises 43 personnel, including 11 scientists, of which 3 are a part of our senior management. Our research team is led by Dr. Satish Raina, with over 4 decades of experience in development and research of hybrid seeds. As on December 31, 2017, we have developed more than 40 different hybrids with superior yields and characteristics which make them attractive for cultivation.

As on December 31, 2017, we had a total workforce of 343 employees including 7 senior management personnel, 29 accounts personnel, 143 marketing personnel, 87 production, processing & quality assurance personnel, 37 administrative staff, and 40 R&D personnel. We have over the years developed an extensive network of distributors and dealers across India. As at December 31, 2017, we have 16 branch offices and approximately 1,265 distributors. Our 12 strategically located distribution and storage facilities (including conditioned storage facilities), help us meet the varying requirements of our customers in 16 states in India. We believe our extensive distribution network allows us to penetrate rural markets across major crop producing regions of India.

Our Company's business history related to the research and development of high quality, high yielding hybrid seeds and plant biotechnology can be traced back to 1980 when Nath Seeds Limited was promoted by various promoters including Nandkishor Kagliwal. Pursuant to a Scheme of Arrangement, approved by the High Court of Judicature at Bombay, pursuant to its order dated August 27, 2003, between Nath Seeds Limited, Nath Bio-Genes (India) and Agri-Tech (India) Ltd, the entire running business of the seed division of Nath Seeds Limited was transferred to our Company. For further information on Scheme of Arrangement, see *"Key milestone"* in the chapter '*Our Business*' on page 105.

We have entered into an MOU with Global Transgenes Limited, our Associate Company, for use of Bollgard II technology which is used for genetic modification of cotton seeds. Our Company has also entered into an agreement with International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) for transfer of breeding material whereby our Company procures breeding material from ICRISAT for further product development. We have set up 11 research trial stations for evaluating research products across agro climatic zones which further help us in not only making high yields seeds, but also in creating seed embedded technologies to protect against specific biotic / abiotic stressors.

For the period ended on September 30, 2017 and in fiscal 2017, 2016 and 2015 we generated net revenue from operations of ₹ 11,588.79 lacs, ₹ 16,972.56 lacs, ₹ 16,210.59 and ₹ 18,532.70, respectively and net profit after tax of ₹ 2,373.14 lacs, ₹ 1,628.25,lacs, ₹ 1,416.75 and ₹ 2,539.75 respectively.

Our Competitive Strengths

We believe that the following are our principal strengths:

Large pool of germ-plasm and strong research and development

We believe that we possess one of the largest pool of germ plasm in India. We have spent over three decades developing a large pool of germ plasm and as of December 2017, we have approximately 19,000 germ plasm lines. Our diverse germ plasm bank across various field crops and vegetables provides us with flexibility for our breeding programmes and the ability to diversify our product pipeline. The germ plasm diversity of our repository also helps us accelerate the development of products that are suitable for different agro-climatic conditions and geographical regions to meet the demands of various markets. A substantial portion of our germ plasm is the product of our own research and development efforts.

We believe that a germ plasm repository as extensive as ours is difficult to replicate and to obtain regulatory approvals for and to commercialise them is expensive. As a result, we believe that the resources and time required to develop a large germ plasm bank acts as a barrier to entry for potential new entrants into the market.

In Fiscal 2017 and the six months ended September 30, 2017, our Company incurred ₹ 867.44 lacs and ₹ 310.49 lacs, respectively, in research and development expenses, representing 5.11% and 2.68% of our revenue from operations in Fiscal 2017 and the six months ended September 30, 2017, respectively. As of December 31, 2017, our research facilities were spread over approximately 103.37 acres of land and we had a dedicated research team comprising 43 persons, including 11 research scientists with doctorate degrees. We currently have 10 production centres and 2 processing centres in 7 states, out of which the processing centre in Aurangabad is on land which is owned by us. Additionally, we have 11 research trial stations in 7 states.

Our research mainly focuses on developing superior hybrids in different crops suitable for varying agro climatic conditions, such as water availability, crop duration and soil attributes, across different geographic regions. We also engage in research activities through arrangements entered into with various research partners which supplements our in-house research capabilities for the development and collection of germ-plasm, product development, evaluation and testing.

Pan-India presence with extensive supply and distribution network

We have a pan-India presence and operations spanning across four business verticals: cotton, field crops, vegetables, and plant nutrient supplements. We have, over the years, developed an extensive network of distributors and dealers across India. As at December 31, 2017, we have 16 branch offices and approximately

1,265 distributors. Our 12 strategically located distribution and storage facilities (including conditioned storage facilities) help us meet the varying requirements of our customers in 16 states in India. Our decentralized, pan-India supply chain allows us to effectively manage our inventory and provides us with flexibility and access to a number of production, processing and storage facilities. Our nationwide footprint also allows us to leverage the competitive advantages of each location to enhance our competitiveness and reduce geographic and political risks in our businesses. We believe that our large-scale distribution network allows us to provide seeds in more locations across the country with less lead times than producers with less geographically extensive distribution networks.

We use information technology and communication applications to further improve operational efficiencies in our business. For example, our SAP-based enterprise resource planning system ("**ERP**") integrates barcode tracking to monitor the movement of our products and sales returns for better inventory management. We are also piloting the use of mobile applications in managing our inventory and logistics, supply chain and sales and distribution operations, as well as in our farm advisory services.

Wide range of hybrid seed crops and established brand

We have hybrid seeds for cotton, sunflower, maize, paddy etc. These varieties give us an edge in the market and we have the ability and infrastructure to further develop different hybrids in these crops. Our product portfolio gives us a natural hedge against dependence on any particular crop(s), and we have an advantage to meet changing farmer needs even in the event of crop-shifting by farmers. Our key hybrid cotton seed product include NBC-102, NBC-1022 and NBC King 101. Our key hybrid maize seed product include NMH 1008 and NMH 1591 and our key hybrid pearl millet seed product include NBH 1717 and NBH 1188 and hybrid paddy seed product include Gazab, Super Duper, Ford 140 and Tehelka.

We also produce seeds for other field crops such as mustard, wheat, sorghum and fodder sorghum, and for vegetables such as okra, chillies, tomatoes and cucumbers. As of December 31, 2017, our product portfolio comprised 66 products across 12 types of field crops and vegetables and 1 plant nutrient supplement.

We have been serving the Indian farmers for more than three decades now and have been consistently improving our turnover, as well as our presence and profitability. We have withstood the pressures of competition and continue to serve quality seeds to the Indian farmers. On account of such long standing efforts, farmers recognize our brand "*Nath Seed*" because of its quality. We believe our stringent in-house quality checks and parameters help us to maintain the quality of all our products. Further, with constant and consistent improvement in performance of our hybrids, augmented with quality, we believe that we have become the preferred seed brand for the Indian farmer. We believe that our brands are well recognised by farmers and that the positive reputation of these brands in the market provides us with a strong platform to maintain and increase our revenues. We also believe that this enables us to receive advance orders from our distributors along with payments in certain states in India, which helps us manage our working capital requirements and provides us with an early indication of the demand for our products.

Experienced and qualified team of professionals

We believe that our qualified and experienced management team provides us significant competitive advantage and enables us to function effectively and efficiently. Our Promoter and Chairman, Nandkishor Kagliwal has over 39 years of experience in the seed industry and our Promoter and Managing Director, Satish Kagliwal has over 28 years of experience in the seed industry. They are supported by our experienced management team with extensive experience in the seed industry. We believe that the combination of our experienced Board of Directors and our dynamic management team positions us well to capitalize on future growth opportunities.

We believe that our experienced management has demonstrated the ability to successfully build and integrate our various operating activities through their years of experience. In particular, they have led the process through which we have developed a diversified mix of products, built brand recognition and loyalty, managed price volatilities and identified new business opportunities.

Our Strategies

The primary elements of our business strategy are to continue to grow our existing businesses and leverage synergies between our businesses. Our specific growth strategies for each of our business verticals are as follows:

Expand our marketing and distribution network to increase the sales opportunities

As we are majorly dependent upon the monsoon, the challenge in our business lies in reaching a geographically dispersed end-user at the right time at the right place with the right product. It also involves ensuring that the end user has the necessary awareness of what kind of seed products, he needs to meet his specific requirements. Due to the seasonal and on-time nature of our business, best of R&D and production activities and best of quality production would not be realized if our products did not reach the end consumer in a timely manner, or if the consumer was not aware of the product. This makes a strong marketing and distribution network critical.

Our marketing and distribution network, which is our key strength, enables us not only to service our existing markets but also expand our reach further in most markets. Our core network of loyal and committed dealers has been built over our long presence in this market on the basis of proven product performance and meeting customer expectations. We recognize further building of marketing and distribution network as fundamental to our proposed expansion strategy. We shall focus on expansion of our marketing and distribution network throughout India, through setting up of marketing offices, godowns and creating awareness among farmers and dealers. We believe that such expansion of our marketing and distribution capabilities shall significantly increase business opportunities.

Continue our breeding program in order to develop new varieties with those characteristics most desired by farmers

We strongly believe that our future success is dependent on our continued focus on breeding and other R&D to develop new and better products that deliver higher yields, enhanced product quality and higher levels of pest and disease tolerance over naturally occurring varieties. We intend to take full advantage of the opportunity for customization and commercialization of new products through continued breeding and R&D efforts. Our research and development activities include conventional breeding programmes and the use of innovative biotechnology tools, which we believe have driven the development of our diverse repository of germplasm, which has enabled us to develop an extensive portfolio of products and helped us to gain greater market share across various product categories and regions across the country. Our strategy involves retaining and growing our market share by continuing to develop high quality, proprietary hybrids for the key markets in which we operate and to actively pursue the development of new technologies through our research and development efforts. We integrate conventional breeding programmes with modern biotechnologies to reduce breeding cycles and develop seeds with better resistance to biotic and abiotic stresses, nutritional quality and yield.

It is absolutely necessary for us to keep abreast with the latest changes in seed science and take advantage of the latest technological developments. As far as possible, we use our existing R&D resources to develop our own in-house cost-effective technologies. However, when we feel that the development of a particular technology is time-consuming, we opt to gain access to the same from others.

Enhance product offering

We will continue to identify related product opportunities based on market trends and intelligence, feedback from our dealer network and identify opportunities vegetables and field crops other than cotton. Our revenue from the sale of seeds of cereals, vegetables and micro- nutrients decreased in Fiscal 2016 to ₹ 16210.59 lacs as compared to ₹18532.70 lacs in Fiscal 2015 due to bad monsoon. However, it subsequently increased to ₹16972.56 lacs in Fiscal 2017 and is ₹ 11588.79 lacs as at September 30 2017. We intend to continue to produce these high quality products in large volumes to increase our market share for these products, and consequently, their contribution to our revenue from operations.

Further, we seek to increase the penetration of our products in markets in which we are currently present and widen the portfolio of our products available in those markets. We would continue to focus on investing in our production capacities and diversify our product range thereby strengthening our presence as a diversified product portfolio based agri-input company.

SUMMARY OF FINANCIAL INFORMATION

The following selected financial information is extracted from and should be read in conjunction with, the Audited Financial Statements of our Company included in *"Financial Statements"* on page 176. You should refer to *"Management's Discussion and Analysis of Financial Condition and Results of Operations"*, on page 66, for further discussion and analysis of the Audited Financial Statements of our Company.

The financial information included in this Placement Document does not reflect our Company's results of operations, financial position and cash flows for the future and its past operating results are no guarantee of its future operating performance.

BALANCE SHEET

(₹ in lacs)

	Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015
I.	**EQUITY & LIABILITIES**			
(1)	**Shareholders' funds**			
	a) Share Capital	1,600.40	1,600.40	1,600.40
	b) Reserves & Surplus	12,158.24	10,530.00	9,113.25
	c) Money Received against share warrant	13,758.64	12,130.40	10,713.65
(2)	**Non-Current Liabilities**			
	a) Long term borrowings	2,006.71	1,500.00	74.67
	b) Deferred Tax Liabilities			
	c) Other Long term liabilities	-	-	-
	d) Long - term provisions	200.65	178.64	192.67
		2,207.36	1,678.64	267.34
(3)	**Current Liabilities**			
	a) Short Term Borrowings	4,860.88	4,304.48	2,018.43
	b) Trade Payables	4,435.28	4,795.14	5,155.85
	c) Other Current Liabilities	3,418.67	3,540.21	4,321.38
	d) Short-term provisions	254.59	221.15	137.69
		12,969.42	12,860.98	11,633.35
TOTAL		**28,935.42**	**26,670.02**	**22,614.34**
II.	**ASSETS**			
(1)	**Non - Current Assets**			
	a) Fixed Assets			
	i) Tangible Assets	4,156.59	2,843.91	785.38
	ii) Intangible Assets	-	202.45	494.16
	iii) Capital Work in Progress			
	iv) Intangible assets under development			
		4,156.59	3,046.36	1,279.54
	b) Non-Current Investments	499.68	0.26	0.23
	c) Deferred Tax Assets (Net)	85.41	86.86	105.59
	d) Long Term Loans and Advances	-	1,009.51	1,455.86
	e) Other Non-Current Assets			
		585.09	1,096.63	1,561.68
(2)	**Current Assets**	-	-	-
	a) Current Investments	-	499.40	499.40
	b) Inventories	13,015.09	14,073.98	11,703.49
	c) Trade Receivables	5,182.46	4,531.15	4,487.56
	d) Cash and Cash Equivalents	584.70	122.45	157.21
	e) Short Term Loans and Advances	5,308.44	3,206.19	2,679.02
	f) Other Current Assets	103.06	93.87	246.44
	TOTAL	**24,193.75**	22,527.03	**19,773.12**

	28,935.42	26,670.02	**22,614.34**

PROFIT AND LOSS STATEMENT

(₹ in lacs)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015
Revenue from operations	16,972.56	16,210.59	18,532.70
Other Income	65.91	70.82	58.51
	17,038.47	**16,281.41**	**18,591.21**
EXPENDITURE			
Purchase of stock in trade	196.52	436.01	358.59
Production Expenses	4,773.46	6,147.62	6,693.68
Change in Inventories	1,040.42	-2,442.00	-2,974.98
Employees Benefits Expenses	1,373.61	1,363.44	1,567.98
Finance Costs	965.71	623.09	459.20
Depreciation and Amortization	303.04	390.48	438.71
Other Expenses	6,703.43	8,253.15	9,419.20
	15,356.19	**14,771.79**	**15,962.37**
PROFIT FOR THE YEAR BEFORE PRIOR YEAR EXPENSES	1,682.28	1,509.62	2,628.83
Prior Year Expenses	6.94	1.88	-6.46
PROFIT /(LOSS) BEFORE TAX	**1,675.34**	**1,507.75**	**2,635.29**
Tax Expenses			
Provision for Income Tax	45.64	86.10	101.04
Provision / (Reversal of Provision) for Income Tax of earlier years	-	-13.82	4.46
Provision for Wealth Tax	-	0.00	2.12
Provision for Deferred Tax (Assets)	1.46	18.73	-12.09
Profit for the year	**1,628.25**	**1,416.75**	**2,539.75**
Earnings Per Share - Basic	10.17	8.85	15.87
- Diluted	10.17	8.85	15.87

CASH FLOW STATEMENT

(₹ in lacs)

Particulars	FY 2016-17	FY 2015-16	FY 2014-15
A) CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before Tax & Extra Ordinary items	1,675.34	1,507.75	2,635.29
Adjustment for :			
Depreciation	303.04	390.48	438.71
Provision for Gratuity	3.34	8.20	28.27
Provision for Leave encashment	6.47	(9.92)	15.07
Wealth Tax	0.00	0.00	(2.12)
Interest Paid / Financial Charges	965.71	623.09	459.20
Provision (Reversal of Provision) for Bad Debts	1.19	16.64	12.47
Profit on sale of Fixed Assets	(0.89)	(0.38)	(0.26)
Interest Income	(0.35)	(5.99)	(0.89)
Operating Profit before working capital changes	**2,953.84**	**2,529.87**	**3,585.73**
Adjustment for :			
(Increase) / Decrease in Trade Receivables	(652.49)	(60.23)	(983.08)
(Increase) / Decrease in Inventories	1,058.89	(2,370.49)	(2,846.65)
Increase / (Decrease) in Trade Payable	(359.86)	(360.72)	1,229.47
(Increase) / Decrease in Loans & Advances	(2,099.52)	(505.73)	(67.86)
(Increase) / Decrease in other current assets	(9.19)	131.12	(27.01)
Increase / (Decrease) in other current liabilities	(557.19)	(725.24)	(210.59)
Cash Generated from operation before Tax & Extra-Ordinary item	**334.48**	**(1,361.41)**	**680.01**
Income tax Paid / (Reversal of provision of income tax)	0.13	1.12	4.46
Net Cash Flow from Operating Activities - (A)	**334.35**	**(1,362.53)**	**675.55**
B) CASH FLOW FROM INVESTING ACTIVITIES			
Sale of fixed assets	7.11	4.82	2.23
Purchase of Fixed Assets	(412.59)	(705.88)	(70.61)
Interest Received	0.35	5.99	0.89
Purchase of Non-current investment	(0.02)	(0.02)	(0.02)
Capital Advance given	0.00	(1,009.51)	(135.38)
Net Cash Flow from Investing Activities - (B)	**(405.16)**	**(1,704.60)**	**(202.90)**
C) CASH FLOW FROM FINANCING ACTIVITIES			
Interest Paid / Financial Charges	(965.71)	(623.09)	(459.20)
Increase / (Decrease) in Long term secured Loan	500.00	1,500.00	0.00
Increase / (Decrease) in Long term secured Provisions	6.71	(74.67)	(61.12)
Increase / (Decrease) in short term secured Loan	810.01	2,227.77	42.84
Increase / (Decrease) in short term unsecured Loan	182.57	17.88	(54.97)
Payment of Deferred Sales Tax Liability	(0.52)	(15.53)	(4.35)
Net Cash Flow From Financing Activities - (C)	**533.06**	**3,032.36**	**(536.79)**
Net increase/Decrease in cash & cash equivalent (A+B+C)	**462.25**	**(34.77)**	**(64.14)**
Opening Cash and Cash Equivalent	**122.45**	**157.21**	**221.35**
CLOSING CASH & CASH EQUIVALENT	**584.70**	**122.45**	**157.21**

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. This section should be read together with "Industry and Market Data", "Our Business", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" as well as the financial statements, including the notes thereto, and other financial information included elsewhere in this Placement Document.

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us, or that we currently believe to be immaterial, may also adversely affect our business, prospects, financial condition and results of operations and cash flow. If any or some combination of the following risks, or other risks that are not currently known or believed to be material, actually occur, our business, financial condition and results of operations and cash flow could suffer, the trading price of, and the value of your investment in, Equity Shares could decline and you may lose all or part of your investment. In making an investment decision you must rely on your own examination of us and the terms of this Issue, including the merits and risks involved.

This Placement Document also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors including the considerations described below and elsewhere in this Placement Document. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the risks involved.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the 12 months ended March 31 of that year.

In this section, any reference to "we", "us" or "our Company" refers to Nath Bio-Genes (India) Limited, as the context requires.

INTERNAL RISK FACTORS

We are subject to extensive and stringent regulations affecting our seed production and distribution and our research trial processes, which affects our sales and profitability.

Extensive and stringent regulatory requirements affect the production, processing and distribution of our products, including the testing and planting of seeds containing our biotechnology traits and the quantum of crops grown from those seeds, and any non-compliance can harm our sales and profitability. Obtaining production, sales import approvals for seeds or biotechnology traits can be time-consuming and costly, with no guarantee of success. In addition, regulatory and legislative requirements may change over time which can also affect our sales and profitability. The failure to receive necessary permits or approvals could have near- and long-term effects on our ability to produce and sell future products. Production approvals may also include significant regulatory requirements that may limit our sales. Sales of our traits without having approval for the production of crops containing such biotechnology traits could lead to disruption of that market and we may face claims of potential liability. Concern about unintended but unavoidable trace amounts (sometimes called "low-level presence") of commercial biotechnology traits in conventional (non-biotechnology) seed, or in the grain or products produced from conventional or organic crops, among other things, could lead to export disruption and increased regulation or legislation, which may include: liability transfer mechanisms that may include financial protection insurance; possible restrictions or moratoria on testing, planting or use of biotechnology traits; and requirements for labeling and traceability, which requirements may cause companies to avoid biotechnology and select non-biotechnology crop sources and can affect farmer seed purchase decisions and the sale of our products. Further, the detection of the presence of biotech traits not approved in the country of planting (sometimes called "adventitious presence") may affect seed availability or result in export disruption and compliance actions, such as crop destruction or product recalls. Legislation encouraging or discouraging the planting of specific crops can also harm our sales.

The successful development and commercialization of our pipeline products will be necessary for our growth.

We use advanced breeding technologies to produce hybrids and varieties with superior performance in farmers' fields, and we use biotechnology to introduce traits that enhance specific characteristics of our crops. We also research biological products to protect farmers' crops from pests and diseases and enhance plant productivity and fertility, and we research chemical products to protect against crop pests. There are a number of reasons why new product concepts in these areas may be abandoned, including greater than anticipated development costs, technical difficulties, regulatory obstacles, competition, inability to prove the original concept, lack of demand and the need to divert focus, from time to time, to other initiatives with perceived opportunities for better returns.

The processes of breeding, biotechnology trait discovery and development and trait integration are lengthy, and a very small percentage of the genes and germplasm we test is selected for commercialization. The length of time and the risk associated with the breeding and biotech pipelines are interlinked because both are required as a package for commercial success in markets where biotech traits are approved for growers. In countries where biotech traits are not approved for widespread use, our sales depend on our germplasm. Commercial success frequently depends on being the first company to the market, and many of our competitors are also making considerable investments in similar new biotechnology, improved germplasm products and agronomic recommendation products. Consequently, if we are not able to fund extensive research and development activities and deliver new products to the markets we serve on a timely basis, our growth and operations will be harmed.

Fluctuations in commodity prices can increase our costs and decrease our sales.

We contract production with multiple growers at fair value and retain the seed in inventory until it is sold. These purchases constitute a significant portion of the processing costs for our seeds. Accordingly, increases in commodity prices may negatively affect our cost of goods sold or cause us to increase seed prices, which could adversely affect our sales. Where practical, we use hedging strategies and raw material supply agreements that contain terms designed to mitigate the risk of short-term changes in commodity prices. However, we are unable to avoid the risk of medium- and long-term increases. Farmers' incomes are also affected by commodity prices; as a result, fluctuations in commodity prices could have an impact on farmers' purchasing decisions and negatively affect their ability and decisions to purchase our seed products.

We have high working capital requirements and if we are unable to secure financing for our working capital requirements, there may be an adverse effect on our business, growth prospects and results of operations.

Our business requires a significant infusion of working capital. In certain cases, significant amounts of working capital are required to finance the purchase of raw materials, finance the research and development process, the operation of our manufacturing facilities, selling and distribution and other works before payments are received from our customers. In addition, our working capital requirements have increased in recent years due to the growth of our Company's business. All of these factors may result, and have resulted, in increase in our working capital needs. As on September 30, 2017, our Company's outstanding short term borrowing is ₹ 5,434.71 lacs comprising of secured loans of ₹ 4,917.38 lacs and unsecured loan of ₹ 517.33 lacs.

Our accounts receivable collection cycle is relatively long as a result of the nature of our business and operations, which makes our business susceptible to market downturns and client credit risk. This may also affect our profitability and liquidity and decrease the capital resources that are otherwise available for other uses including payables to our suppliers, which may further result in reduced availability of raw materials and/or increased raw material costs. Additionally, the failure of our clients to make timely payments could require us to write off accounts and make provisions against receivables or increase our working capital requirements, which could have a material adverse effect on our business growth and prospects, financial condition and results of operations. Further, if we are unable to provide sufficient collateral to secure the working capital facilities obtained by our Company, we may not be able to obtain the working capital facilities which may affect our business and growth prospects.

Any delays and/or defaults in payments from our customers could result in increase of working capital investment and/or reduction of our profits, thereby affecting our operations and financial condition. Further, our accounts receivable collection cycle is relatively long, which exposes us to higher client credit risk.

We are exposed to payment delays and/or defaults in payments by our customers and our financial position and financial performance are dependent on the creditworthiness of our customers. As per our business network model, we supply our products to our dealers/distributors without taking full payment or security deposit against the orders placed by them. Any delays in payments may require us to make a working capital investment. Further, we cannot assure that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making his payments on an order on which we have devoted significant resources, or if an order in which we have invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition. Our accounts receivable collection cycle is relatively long as a result of the nature of our business and operations, which makes our business susceptible to market downturns and client credit risk. Our credit terms vary according to local market practice and typically, the credit period ranges between 90 days to 180 days. If any of our customers fail to make payments to us or become insolvent, we would suffer losses and our financial condition and results of operations could be adversely affected.

Moreover, sales of our products are not supported by letters of credit or bank guarantee. In case of any disputes or differences or default with regard to our payments, we would have to initiate appropriate recovery proceedings and which may be costly and time consuming. There is no guarantee on the timelines of all or any part of our customers' payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

We primarily focus on seed business, which is seasonal and cyclical in nature. Accordingly, the demand for our products and cash flows from operations and other operating results may fluctuate on a seasonal and quarterly basis.

We primarily focus on business of processing, production and marketing of high quality hybrid seeds for different field crops. Our business is seasonal in nature and as a result, our operating results may fluctuate. Since our business is influenced by the traditional cropping seasons in India, our production as well as the demand for our products may be affected by seasonal factors such as weather conditions, irrigation facilities, availability of credit to farmers and overall agricultural production. As a result, our quarterly results of operations may fluctuate significantly due to the seasonal nature of the agricultural sector. As a result, our financial statements for consecutive quarters may not be directly comparable with each other. Moreover, any significant disruption in our operations or other factors that result in a significant shortfall compared with our expectations, consequently, result in a significant shortfall in sales and operating cash flows for the full year. Accordingly, if the agricultural sector in the regions where we operate, and particularly the crops to which we cater are adversely affected by unfavourable soil or climatic conditions, poor rainfall, seasonal fluctuations, commodity crop price fluctuations or any other extraneous events, the demand for our products may decrease, which may adversely affect our business, cash flows and results of operations.

We have experienced, and expect to continue to experience, significant variability in our total revenue, operating cash flows, operating expenses and net revenues on a quarterly basis. In particular, our sales during the first quarter i.e., between the months of April and June, are significantly greater than sales recorded during any other quarterly period as sale of cotton seeds and other kharif season crops generally take place during this period. Similarly, our sales during the first half (i.e., between the months of April and September) are significantly greater than our sales during the second half (i.e. between the months of October and March). In addition, because substantially all of our customers may return seeds purchased from us if they remain unsold at the end of the growing season, we typically provide for such returns. Our inability to accurately estimate such provisions may also lead to significant fluctuations in our quarterly revenue.

Further, the seeds returned in a particular period is sold by us as grains in the market at lower prices, thereby further affecting our profitability. The unsold seeds which spill over to the next season, although stored in controlled environmental conditions, may also result in degradation and failure thereby leading to a loss.

Any change in the government policies vis-à-vis expenditure, subsidies and incentives etc. in agriculture sector or failure of farmers to realize expected prices for their crops could affect their ability to spend on agro input

products, thereby affecting our business and profitability. Further, the government policies for the subsidies and incentives are subject to strict terms and conditions.

Any changes in government policies relating to the agriculture sector such as reduction of government expenditure, withdrawal or changes in incentives and subsidy systems, export restrictions on crops, or adverse changes in commodity prices and/or minimum support prices could have an adverse effect on the ability of farmers to spend on agro input products. Governments and end users of our agro input products may seek to find ways to reduce or contain agriculture related costs. We cannot predict the nature of the measures that may be adopted by governments or private organisations or their impact on our revenues.

In the event such measures result in increased costs for farmers to undertake agriculture, their demand for some or all of our products may reduce, which could reduce our sales and cash flows and affect our profitability. Also, if agriculture related legislation or third party players influence results in lower prices for our products, our overall revenues may decrease and our cash flows and profits could be adversely affected even in cases where the demand for our products increases.

Further, the government policy for the subsidies and incentives are subject to strict norms. For availing subsidies on sale of some of our products we have to comply with prescribed provisions or norms of the Government. In the event of non-compliance, we may have to forgo the subsidies provided, which may affect our financial conditions and profitability.

Our business is primarily dependent upon a continuing relationship with dealers/distributors for sales of our products. Any reduction or interruption in the business of these dealers/distributors, or a substantial decrease in orders placed by these dealers/distributors may have an adverse impact on the revenues and operations of our Company. Further, we do not have any long-term or exclusive arrangements with dealers or distributors for selling our products.

We are primarily dependent on dealers/distributors for our business. We have over the years developed a network of distributors and dealers across India. As at December 31, 2017, our distribution network included over 1,265 dealers/distributors with a pan-India presence. Further, as at December 31, 2017, we have also established 16 branch offices across various states in India, for effective storage and distribution of our products. We intend to grow our business by adding new distributors both in existing as well as in new markets.

Due to the seasonal nature of our business, we do not enter into any long term contracts for the sale and distribution of our products. There is no assurance that we will be able to maintain the same levels of business from our existing dealers/distributors or that we will be able to replace our dealers/distributor base in a timely manner or at all in the event our existing dealers/distributors do not continue to purchase the products of our Company. The loss of or interruption of work by, a significant number of dealers may have an adverse effect on our revenues and operations.

While we believe that our relationship with these parties has been satisfactory, there are no long-term or exclusive arrangements that we have entered into with our dealers and distributors, and there is no assurance that they will not place orders with other players in the market. In addition, our dealers and distributors could change their business practices or seek to modify the contractual terms which we have previously entered into with them, including in relation to their payment terms. Further, the dealers and distributors engaged by our Company are responsible for assessing the demand for our products in the market pursuant to their interaction with retailers and consumers, and placing orders with us subsequently. We use this information as one of the factors in our forecasting process to plan future production and sales levels, which in turn influences our financial forecasts. If we do not receive this information on a timely and accurate basis, our results of operations and financial condition may be adversely impacted. In the event our dealers and distributors are unable to accurately predict the demand for our products or if they experience delays in placing orders with us or if they do not effectively market our products or market the products of our competitors instead, there could be a material adverse effect on our business forecast, business growth and prospects, financial condition and results of operations.

In addition, our dealers and distributors could change their business practices, such as inventory levels or line of businesses. The inability of our dealers/distributors to meet our payment schedules or unexpected changes in inventory levels or other practices by our dealers/distributors could negatively impact our business, operating cash flows and financial condition. Our inability to maintain our existing distribution network of dealers and distributors or to expand it proportionately with the proposed increase in our manufacturing facilities/capacities, could have a material adverse effect on our sales, business growth and prospects, results of operation and financial condition.

Our agreements with various lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.

We have entered into agreements for short term and long term borrowings with certain lenders. These borrowings include secured fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure that our lenders will provide us with these approvals in the future.

Further, a default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. Defaults under one or more of our Company's financing agreements may limit our flexibility in operating our business, which could have an adverse effect on our cash flows, results of operations and financial condition. We believe that our relationships with our lenders are good, and we have in the past obtained consents from them to undertake various actions and have informed them of our corporate activities from time to time. Compliance with the various terms of such financing arrangements, however, is subject to interpretation and there can be no assurance that we have requested or received all relevant consents from our lenders as contemplated under our financing arrangements. It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents. Further we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest.

In addition to our existing indebtedness for our existing operations, we may require further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/ or additional indebtedness. Further, fluctuations in interest rates could adversely affect our results of operations.

As on September 30, 2017, our Company's total indebtedness is ₹ 7,723.65 lacs comprising of long term borrowings (including current maturities of long term borrowings) of ₹ 2228.94 lacs and short terms borrowings of ₹ 5,434.71 lacs. In addition to the indebtedness for our existing operations, we may require further indebtedness during the course of business. There can be no guarantee that we will be able to obtain the new facilities at favourable terms or at all. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to further borrow at competitive rates. Also we cannot assure that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget for our working capital requirements, in which case there may be delays in arranging the additional working capital requirements which may lead to loss of reputation, levy of liquidated damages and an adverse effect on the cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements which may be entered into with our lenders could lead to a termination of one or more of our credit facilities, trigger cross default provisions, penalties and acceleration of amounts due under such facilities which may adversely affect our business, financial condition and results of operations.

Further, an increase in the interest rates on our existing or future debt will increase the cost of servicing such debt. Further, we have not entered into any interest rate hedging transactions in connection with such debt and we may not able to minimize our exposure to interest rate fluctuations. We cannot assure, that we will be able to service our existing and/ or additional indebtedness on commercially reasonable terms. Any increase in interest expense may have an adverse effect on our business prospects, financial condition and results of operations.

We have unsecured loans that may be recalled by the lenders at any time and we may not have adequate fund flows to make timely payments or at all.

We have availed unsecured loans which may be recalled by the lenders at any time. As of September 30, 2017, such loans amounted to ₹ 517.33 lacs. In the event that any lender seeks a repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. We may not have adequate working capital to undertake new projects or complete the ongoing projects. As a result, any such demand may materially and adversely affect our cash flows and results of operations.

Members of our Promoter Group, have pledged a portion of the equity shares held by them in our Company in favour of lenders, who may exercise their rights under the pledge agreement.

As on September 30, 2017, members of our Promoter Group, identified as per the definition provided in Regulation 2(1)(zb) of the ICDR Regulations, have pledged 6,511,287 equity shares aggregating to 83.96% of the equity shares held by them in our Company out of which 1,941,000 equity shares of our Company aggregating to 25.03% have been pledges by them in favour of our lenders, as security for the loan provided to our Company. In the event our Company and the Promoter Group defaults on their obligations under the pledge agreement, the lenders may enforce the equity shares pledged and have the equity shares transferred to their names or sell the equity shares to any person without any restriction. Such a sale will dilute our Promoter Group's stake in our Company. For details in respect of our Promoter Group's shareholding interest and the pledge of our shareholding, please refer to the chapters titled "*Capital Structure*" on page 63 of this Placement Document.

We are dependent on third party transportation providers for delivery of raw materials to us from our suppliers and delivery of our products to our customers and dealers/distributors. Any failure on part of such service providers to meet their obligations could have a material adverse effect on our business and results of operation.

Our success depends on the smooth supply and transportation of the raw materials required for our manufacturing process and transportation of our products from our manufacturing units/depots to our customers and dealers/distributors, both of which are subject to various uncertainties and risks. We use a combination of third party transportation providers for the said transportation purpose. Transportation strikes have happened in the past, and could again in the future have, an adverse effect on our supplies and our deliveries to and from our customers and suppliers in a timely and cost efficient manner. In addition, raw materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. Our transportation cost would be primarily consisting of outward freight which in aggregate constituted 4.49%, 5.15%, 2.60% and 3.60% of our total revenue from operations for Fiscal 2015, Fiscal 2016 and Fiscal 2017 and six month period ended September 30, 2017, respectively. There may also be delay in delivery of raw materials and products which may also affect our business and our results of operation negatively. A failure to maintain a continuous supply of raw materials or to deliver our products to our customers in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations.

Our Company is also dependent on contract labour at our manufacturing units. If we are unable to continue to hire skilled contract labour, the quality of our products being manufactured in our units can get affected.

Our operations are significantly dependent on access to a large pool of contract labour for our manufacturing facilities. The number of contract labourers employed by us varies from time to time based on the nature and extent of work we are involved in. Our dependence on such contract labour may result in significant risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour during peak periods. There can be no assurance that we will have adequate access to skilled workmen at reasonable rates. As a result, we may be required to incur additional costs to ensure timely execution of order of our products in a timely manner in peak season.

Our Company appoints independent contractors who in turn engage on-site contract labourers for carrying out the processing. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent workmen. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

Also, on an application made by contract labourers, an Industrial court or Tribunal may direct that the contract labourers are required to be regularized or absorbed by our Company. Though, no such application has been till date, there can be no assurance that we will not be required to make such regularization or absorption. Further, the State Government may prohibit employment of contract labour. If either of the above should occur, we may be required to induct such labourers on our payroll, as employees which may result in increased expenses. Further, even though we have obtained all necessary approvals as required under the statutes there can be no assurance that we may continue to hold such permits, licenses or approvals in the time-frame anticipated by it or at all. Such non-issuance or non-renewal may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and future results of operations.

Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as breakdown, malfunctions, sub-standard performance or failures of manufacturing equipment, fire, loss-in-transit for our products, accidents and natural disasters. At present our insurance policies provide for coverage against risk including loss of money, fire, damage, worker welfare, etc. however, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully or in part or on time.

While we believe we maintain insurance coverage in amounts consistent with industry norms, there can be no assurance that our insurance policies will be adequate to cover all risks or the losses in respect of which the insurance had been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. Our Company has not availed any kind of insurance for its products, including a product liability insurance. Hence any such liability could have an adverse impact on our results of operations. Further, there is no assurance that the insurance premium payable by us will be commercially viable or justifiable.

We rely on third party and farmers for seed production and any discontinuation of services of such third party and farmers may affect our profitability.

Seed production is generally undertaken by seed growers/organizers on our behalf, who are third parties, being independent contractors during every crop season. We provide these seed growers/organizers with the raw material including foundation seed and closely monitor their activities during all stages of seed production. However, our arrangements with these seed growers/organizers carry risks that they may have economic or other interests that are inconsistent with our interests. They may take actions that are contrary to our instructions or requests, or may be unable or unwilling to fulfil their obligations, especially those that relate to timely delivery of the produce. Any failure by us to monitor closely the activities of seed growers/organizers could affect the quality of our seeds. While we have had long-term relationships with several of seed growers/ organizers, we do not have long-term contracts with seed growers/arrangers and cannot assure that such seed growers/ organizers will continue to work with us on expiry of the relevant contract period.

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

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

An inaccurate forecast of demand for any of our products can result in the unavailability of seeds that are in high demand, which may adversely affect our results of operations, customer relationships and market share. Conversely, an inaccurate forecast of demand or return of our products can also result in a surplus of seeds, which may increase storage and other related costs, negatively impact cash flows, reduce the quality of inventory, erode margins substantially and may ultimately result in write-offs of inventory, any of which circumstances could materially and adversely affect our business, financial condition, results of operations and prospects. These factors could result in lower revenue or operating margins and in turn, materially and adversely affect our business, financial condition, results of operations and prospects.

Our Company's business is subject to risks related to weather, crop disease and pests attacks.

Seed production is subject to a variety of agricultural risks. The agribusiness industry is subject to weather factors, which make its operational results relatively unpredictable. Crop yields depend significantly on the absence of any crop disease or pest attacks and favourable weather conditions such as adequate rainfall and temperature, which vary from location to location. The weather can also affect the presence of disease and pests in the short term on a regional basis. Extreme weather conditions, disease and pests can potentially affect the quality and quantity of a substantial portion of our Company's products in any year and have a material adverse effect on our Company's business, results of operations and financial condition. Adverse weather conditions, or the onset of crop diseases and pest attacks could also reduce the demand for our seed products. Adverse agro-climatic conditions could affect the overall market demand for seeds, as farmers may choose not to engage in agricultural activities at all, or to grow crops for which we do not produce seed products, thus affecting the demand for our seed products. In addition, there can be no assurance that crop diseases and pests do not develop resistance to the Bt. Trait we use. If crop diseases and pests develop resistance to our products, the demand for our seed products could also reduce. Despite the geographical diversity, our Company may be unable to assure sufficient quality and quantity of production in the event of sudden changes in the local weather. In that event, there could be significant negative impact on the Company's business, prospects, results of operations and financial condition.

We are involved in legal proceedings, which if determined against such parties may have an adverse effect on our reputation, business and results of operations.

We have certain legal proceedings and claims. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. While we have challenged such proceedings, we cannot assure you that these will be dismissed or decided in our favour. For details see *"Legal Proceedings"* on page 168. In addition, should any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and our liabilities. Any adverse decision may have an adverse effect on our reputation, business and results of operations.

Some of our statutory records are not available/non-traceable and our management is not in a position to assess whether our Company has complied with its statutory obligations during the said period.

One Form 2 is not available / non-traceable for the allotment of approximately 40 shares made on March 24, 2000. Our management, is therefore not in a position to confirm whether our Company has been in compliance with its statutory obligations in relation to this particular matter. Further, there have been instances of non-compliance and delays with respect to statutory filings required to be made pursuant to the Companies Act and Listing Regulations. For example, our Company has not filed Form MR-1 for the appointment of Devinder Khurana, our Chief Financial Officer with the ROC. Though our Company has not received any notice from regulatory authorities for such non-compliance of its statutory obligations in the past, there can be no assurance that a liability in the future will not arise due to non-compliance or non-availability/non-traceability of our statutory records for the said period.

Increased competition may result in decreased demand or lower prices for our products. Our Company's failure to effectively compete could adversely affect its business, prospects, results of operations and financial condition.

Our Company faces substantial competition due to technological advances by competitors, such as other seed companies and biotechnology companies. Our Company competes with other seed manufacturers on the basis of availability of product, product range, product traits, including disease resistance, plant quality and other factors, as well as based on price, reputation, customer service and customer convenience. Our Company also competes with other seed manufacturers for production inputs, such as arable land, and contract growers.

Our Company's major competitors are Mahyco, Monsanto and its subsidiaries, Pro-Agro (a Bayer Crop Science subsidiary), Pioneer (a Dupont subsidiary), Syngenta, Kaveri seeds, Vibha Seeds, Ankur Seeds, Namdhari Seeds and Nunhums. In most segments of the market, the number of products available to the grower is steadily increasing as new products are being introduced. As a result, our Company anticipates that it will continue to face new and different competitive challenges in attracting a sufficient number of qualified contract growers. If a competitor introduces a successful product, it could take years for our Company to develop a similar seed variety, which could have a material adverse effect on our Company's business, prospects, results of operations and financial condition.

Some of our Company's competitors may have, or are subsidiaries of large international corporations that have significantly greater resources than those available to our Company. If our Company is unable to compete effectively, including in terms of pricing or providing quality products, our Company's market share may decline, which could have a material adverse effect on our business, prospects, results of operations and financial condition.

Our operations are subject to risks related to an increase in costs or non-availability of raw materials and other key inputs.

Seed production requires various raw materials including foundation seeds as well as other key inputs such as pesticides, fertilisers, fuel, electricity and water. The costs of seed production, including the cost of materials consumed, as adjusted for changes in inventories, constituted 37.50%, 40.33%, 53.11% and 63.93% of our total operating expenditure, after excluding finance costs, depreciation, amortisation and exceptional item and tax expenses, in Fiscal 2015, Fiscal 2016, Fiscal 2017 and the six months ended September 30, 2017, respectively. Except the foundation seeds that are developed internally by us, substantially all of our raw materials, including those required for the development or production of foundation seeds, are procured from third parties.

Production and procurement of these raw materials and key inputs is subject to disruptions and price volatility caused by various factors, including commodity market fluctuations, consumer demand, the quality and availability of raw materials, adverse weather conditions, availability of sufficient working capital and changes in government programmes or regulations. Though we procure our raw materials from a diverse set of suppliers and growers, to ensure consistent availability, we cannot assure you that we will continue to do so in the future. Our stock of foundation seeds or other raw materials may not be sufficient to meet any unusual increases in demand. Failure of our crops due to any reason may also result in a shortfall in our seeds. In certain circumstances, some of our existing growers, in the case of foundation seeds, may discontinue their operations or may choose to supply raw materials to our competitors instead of us. Unanticipated increases in costs of raw material or other costs associated with the production of seeds such as the cost of labour, service charges, fertilisers and pesticides or our inability to procure continuously the raw materials within the required time and in sufficient quantity could materially and adversely affect our business, results of operations, financial condition and prospects.

Our Company is heavily dependent on the success of its research and development to develop new and improved products.

Our Company's success depends in part on its ability to develop new products to meet the needs of its customers. Our Company has in the past made, and intends to continue to make, significant investments in research and development in order to enable it to identify and develop new seeds to meet consumer demands and keep pace with new product introductions by its competitors. Our Company has in the past made, and intends to continue to make, investments in research and development. In Fiscal 2015, Fiscal 2016, Fiscal 2017 and the six months ended September 30, 2017, our Company incurred ₹ 1222.94 lacs, ₹ 1111.70 lacs, ₹ 867.44 lacs and ₹ 310.49 lacs, respectively, on research and development expenses, which accounted for 6.60%, 6.86%, 5.11% and 2.66% of our revenue from operations for the same period. We cannot assure you that our Company will make enhanced investments or continue the current level of investments in research and development efforts, or that these investments will yield satisfactory results, or any results at all.

The development process for new varieties of seeds is lengthy and costly. On an average, it takes five to eight years for a proprietary seed variety to reach commercial viability. Despite investments in this area, Our Company's research and development efforts may not result in the discovery or successful development of new products. The success of Our Company's new product offerings will depend on several factors, including its ability to:

- accurately anticipate and properly identify customer needs and industry trends;
- innovate, develop and commercialise new products in a timely manner;
- differentiate its products from its competitors' products;
- use its research and development budget efficiently;
- launch new varieties/products on a timely basis; and
- price its products competitively.

The continuous introduction of new products designed to meet the needs of our Company's customers is critical to its business. However, there can be no assurance that a new product will be commercially successful. In addition, research undertaken by competitors may lead to the launch of competing or improved products that may materially and adversely affect the sales of our Company's products. Our Company's business, prospects, results of operations and financial condition could be materially and adversely affected if it is unable to successfully develop and commercialise new products.

Our Company may be unable to effectively implement its growth strategies or manage its growth.

As a part of our Company's growth strategy, it proposes to make investments designed to increase sales of its products. For example, our Company is seeking to increase sales of hybrid rice and mustard seeds. Our Company's growth strategy involves risks and difficulties, many of which are beyond its control and, accordingly, there can be no assurance that it will be able to complete its plans on schedule or at all, or without incurring additional unforeseen material capital expenditure. Any inability on our Company's part to manage its growth effectively or to ensure the continued adequacy of its current systems to support its growth strategy could have a material adverse effect on its business, prospects, results of operations and financial condition.

Furthermore, if market conditions change or if our Company's operations do not generate sufficient funds or for any other reasons, it may decide to delay, modify or forgo some aspects of its growth strategy, which could have a material and adverse effect on its business, prospects, results of operations and financial condition.

Our Company's success depends to a large extent on its ability to attract and retain key personnel.

The success of our Company's business depends to a large extent on its ability to identify, attract, hire, train, retain and motivate skilled personnel, including senior members of its management and operational team. Competition for qualified agribusiness personnel is intense, given the limited supply of such personnel and because they are highly sought after by our Company's competitors. Further, our Company may not be able to redeploy and retrain its employees to keep pace with continuing changes, evolving standards and changing customer preferences. If our Company fails to hire and retain sufficient numbers of qualified personnel for functions such as research and development, production, marketing and sales, operations, our Company's business, prospects, results of operations and financial condition could be materially and adversely affected.

Our ability to deliver our products in a timely manner is critical to our operations.

The nature of our business requires our products to be available in the market before the beginning of every crop season in order to meet agricultural demand. Any extended interruption in our ability to deliver our products to our distributors and end consumers for any reason including those not within our control could adversely affect our business, results of operations and financial condition. We currently do not own our logistical infrastructure and we rely on third party service providers for transportation and delivery of our products. Some of the factors that may interrupt delivery of our products include unavailability of suitable transporters, or delays in transportation, damage or loss of goods during transit, strike by unionised transportation providers, natural disasters, or any unusual or sudden rise in the cost of transportation or the price of fuel. We are not insured for any loss of profit resulting from a failure to deliver products in a timely manner. If we were to experience any interruption due to any of the above factors, we cannot assure you that we will be able to organise alternative methods of delivery in a timely and cost-effective manner or at all.

Our business requires us to obtain and renew certain licenses and permits from government, regulatory authorities and the failure to obtain or renew them in a timely manner may adversely affect our business operations.

Our business requires us to obtain and renew from time to time, certain approvals, licenses, registrations and permits, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. In addition, we require certain approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by authorities such as the Government of India, the State Governments and certain other regulatory and government authorities, for operating our business. In particular, we are required to obtain certificate of registrations for carrying on certain of our business activities from the Government of India, the State Governments and other such regulatory authorities that are subject to numerous conditions.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. Further, our Company has not obtained a shops and establishment license and fire NOCs for its offices, production and processing centres and such non-compliance may attract penalty.

Some of our Company's production and processing facilities and research trial stations are operated from premises which are not owned by us and have been taken on leave and license/ lease basis.

Some of our production and processing facilities and research trial stations are being operated from premises which are not owned by us and have been taken on leave and license / lease basis. We have 10 production centres which are operated on premises obtained on leave and licence/lease basis and 2 processing centres in 7 states out of which 1 centre is operated form premises which have been taken on leave and license / lease basis. Further, we have 11 research trial stations in 7 states out of which 9 trial stations are operated from premises taken on leave and license/ lease basis. There can be no assurance that these leave and license/lease agreements will be renewed upon expiry in a timely manner or at all, or on terms and conditions acceptable or favourable to us. Any failure to renew these agreements or procure sufficient amounts of suitable land at commercially reasonable prices to meet production needs may materially and adversely affect our business, prospects, results of operations and financial condition.

Prices for our cotton seed products are subject to government controls.

The prices for cotton seeds are subject to controls imposed by government authorities. For example, we are subject to pricing regulations in respect of our cotton seed products by the governments in the states of Andhra Pradesh, Telangana and Maharashtra under statutes, such as the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007 (the "A.P. Cotton Seeds Act"), which applies to the states of Andhra Pradesh and Telangana, and the Maharashtra Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2009 (the "Maharashtra Cotton Seeds Act"). In addition, statutes such as the Essential Commodities Act, 1955 also provide for control by the government of the supply, distribution and trade in relation to certain notified commodities for securing their equitable distribution and availability at fair prices. A reduction in the price of seeds in one state may also cause a reduction in the price of seeds of the same type in another state as customers may choose to procure seeds from suppliers in the state with lower prices. Any adverse changes in the pricing environment for our cotton seed products or the introduction of price controls on any other seed products could affect our strategy for cotton seed products or our overall business strategy and could significantly affect our revenues and operating margins. We cannot assure you that the pressures on pricing of cotton seeds as a result of government controls will decrease or cease to operate in the foreseeable future. We may not be able to set prices for our products at levels high enough to earn an adequate return on our investments, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Our Promoter and Promoter Group has significant influence over our operations, which will enable them to influence the outcome of matters submitted to shareholders for approval which may potentially involve conflicts of interest with the other shareholders.

As of September 30, 2017, our Promoter and Promoter Group beneficially owned approximately 48.46% of our paid up share capital. Please see section titled *"Principal Shareholders"* on page 129. Our Promoter may be in a position to influence decisions relating to our business and the outcome of matters submitted to shareholders for approval. This control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. In addition, for so long as the Promoter continues to exercise significant control over our Company, it may influence the material policies of our Company in a manner that could conflict with the interests of our other shareholders. Our Promoter may have interests that are adverse to the interests of our other shareholders and may take positions with which we or our shareholders do not agree.

We have, in the past, entered into related party transactions and may continue to do so in the future and there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.

We have entered into related party transactions with our Promoters, and some of our Group entities in Fiscal 2015, 2016 and 2017. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Further, it is likely that we may continue to enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. In the event any conflict of interest arises between us, or to the extent that competing products offered by any of our Promoter or Group entities erode our market share, we may not be able to effectively manage any such conflict or competitive pressures and, consequently, our business, results of operation and financial condition may be adversely affected. For further details on our related party transactions, see *"Financial Statements"* on page 176.

We have certain contingent liabilities, which if materialize, may adversely affect our financial condition.

As on March 31, 2017, our contingent liabilities aggregate to ₹ 5137.29 lacs, details of which are as follows:

(₹ in lacs)

Particulars	Amount
Debts in respect of legal cases	137.29
Corporate guarantee given in favour of ICICI Bank Limited towards crop loan taken by our seed growers	3000.00
Corporate guarantee issued in favour of IDBI Bank towards loan taken by Paithan Mega Food Park Private Limited	2000.00

In the event any of these contingent liabilities materialize, our financial condition may be adversely affected.

Our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised by any bank or financial institution and may be revised from time to time.

The deployment of the Net Proceeds, as included in this Placement Document is based on management estimates and our current business plan and has not been appraised by any bank, financial institution or other independent institution. Our management will have discretion in the application of the Net Proceeds and investors will not have the opportunity, as part of their investment decision, to assess whether we are using the proceeds in a manner that they believe enhances our market value. In view of the competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time. Our schedule of implementation is exposed to various risks including time and cost overrun due to various reasons including those which may be beyond our control. In case any such event occurs that results in delaying our schedule of implementation, we may have to incur additional cost and we may not execute our business plan in line with current estimates. Such time and cost overrun could have a material adverse effect on our business, financial condition and results of operations.

We have transitioned in accounting standards, from Indian GAAP to Ind AS, and have started preparing our financial statements, from the period beginning April 1, 2017, under Ind-AS. The transition to Ind-AS in India may adversely affect us.

The Ministry of Corporate Affairs ("**MCA**") has notified the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015 (the "**IAS Rules**"). The IAS Rules provide that the financial statements of the companies to which they apply (as more specifically described below) shall be prepared and audited in accordance with Indian Accounting Standards ("Ind-AS"). Our Company has adopted Ind-AS for the accounting period beginning from April 1, 2017.

However, we have not determined with any degree of certainty the impact such adoption will have on our financial reporting. There can be no assurance that our financial condition, results of operations, cash flows or changes in shareholders' equity will not appear materially worse under Ind-AS than under Indian GAAP. Further, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. Moreover, there is increasing competition for the small number of Ind-AS experienced accounting personnel available as more Indian companies begin to prepare Ind-AS financial statements. Additionally, there is no significant body of established practice on which to draw in forming judgments regarding the new system's implementation and application. There can be no assurance that adoption of Ind-AS will not lead to regulatory action and other legal consequences and/or will not adversely affect our reported results of operations or financial condition and any failure to successfully adopt Ind-AS could adversely affect our business, financial condition and results of operations.

We have not attempted to quantify the impact of Ind AS on the financial information included in this Placement Document, nor have we provided a reconciliation of our financial statements to those under Ind AS. Therefore, the impact of the adoption of Ind AS cannot be ascertained at this stage. For further details, see section *"Summary of key differences between Indian GAAP and Ind-AS"* at page 86.

EXTERNAL RISK FACTORS

Statistical and industry data in this Placement Document may be incomplete or unreliable.

Statistical and industry data used throughout this Placement Document has been obtained from various government and industry publications. We believe the information contained herein has been obtained from sources that are reliable, but we have not independently verified it and the accuracy and completeness of this information is not guaranteed and its reliability cannot be assured. The market and industry data used from these sources may have been reclassified by us for purposes of presentation. In addition, market and industry data relating to India, its economy or its industries may be produced on different bases from those used in other countries. As a result data from other market sources may not be comparable. The extent to which the market and industry data presented in this Placement Document is meaningful will depend upon the reader's familiarity with and understanding of the methodologies used in compiling such data.

Further, this market and industry data has not been prepared or independently verified by us or the Book Running Lead Manager or any of its affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors. Accordingly, investment decisions should not be based on such information.

Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government has traditionally exercised, and continues to exercise, a significant influence over many aspects of India's economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, taxation, social and civil unrest and other political, economic or social developments in or affecting

India. The Indian economy may also be affected by key government regulation. For example, Pursuant to notifications dated November 8, 2016 issued by each of the Ministry of Finance of the Government and the Reserve Bank of India, currency notes in denominations of ₹500 and ₹ 1,000 ceased to be legal tender. While new currency notes in denominations of ₹ 500 and ₹ 2,000 have been introduced, the immediate impact of these measures has been a decrease in cash liquidity among the public in India. The long term effects of these measures on the Indian economy, on the markets for various commodities and services, and our operations in particular, are currently unclear. Any slowdown in the Indian economy a result of the currency demonetization measures may adversely affect our business, results of operations, financial condition and prospects.

Since 1991, Governments have pursued policies of economic liberalization and financial sector reforms. The current Government came into power in May 2014 and has announced its general intention to continue India's current economic liberalization and deregulation policies. However, the rate of economic liberalization could change and there can be no assurance that such policies will be continued. A change in the Government or in the Government's future policies could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have an adverse effect on the market for our Equity Shares. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

Significant differences exist between Indian GAAP used throughout our financial information and other accounting principles, such as U.S. GAAP or IFRS, with which investors may be more familiar.

Our audited financial statements provided in this Placement Document are prepared and presented in conformity with Indian GAAP and Ind-AS (as applicable). No attempt has been made to reconcile any of the information given in this Placement Document to any other principles or to base it on any other standards. Indian GAAP and Ind-AS (as applicable) differ in certain significant respects from IFRS, U.S. GAAP and other accounting framework with which prospective investors may be familiar. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Accordingly, the degree to which the financial information included in this Placement Document will provide meaningful information is dependent on your familiarity with Indian GAAP and Ind-AS (as applicable).

Because differences exist between Indian GAAP and IFRS or US GAAP, the financial information in respect of our Company contained in this Placement Document may not be an effective means to compare us with other companies that prepare their financial information in accordance with IFRS or US GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited. In making an investment decision, investors must rely upon their own examination of our Company, the terms of this Issue and the financial information relating to our Company. Potential investors should consult their own professional advisers for an understanding of these differences between Indian GAAP and IFRS or US GAAP, and how such differences might affect the financial information contained herein.

After this Issue, the price of our Equity Shares may be volatile.

The Issue Price will be determined by us in consultation with the Book Running Lead Manager, based on Bids received in compliance with Chapter VIII of the ICDR Regulations, and it may not necessarily be indicative of the market price of the Equity Shares after this Issue is completed. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. Due to which the market value of an investor's investment may fluctuate

In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares are offered in this Issue or the price at which the Equity Shares will trade in the market subsequent to this Issue.

Acts of terrorism and other similar threats to security could adversely affect our business, cash flows, results of operations and financial condition.

Increased political instability, evidenced by the threat or occurrence of terrorist attacks, enhanced national security measures, conflicts in several regions in which we operate, strained relations arising from these conflicts and the related decline in customer confidence may hinder our ability to do business. For example, in November 2008, several coordinated shooting and bombing attacks occurred across Mumbai, India's financial capital. In June 2011, a series of three coordinated bomb explosions occurred at different locations in Mumbai. Both attacks resulted in loss of life, property and business. Any escalation in these events or similar future events may disrupt our operations or those of our customers. These events have had, and may continue to have, an adverse impact on the global economy and customer confidence, which could, in turn, adversely affect our revenue, operating results and financial condition. The impact of these events on the volatility of global financial markets could increase the volatility of the market price of our securities and may limit the capital resources available to us and to our customers.

Investors in the Equity Shares may not be able to enforce a judgment of a foreign court against us, our directors or executive officers.

We are a limited liability company incorporated under the laws of India. All of our directors, senior management personnel and executive officers of our Company are residents of India and a substantial portion of the assets of such persons are located in India. Further, majority assets of our Company are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside India, or to enforce judgments obtained against such parties in courts outside of India.

Recognition and enforcement of foreign judgments are provided for under Section 13 and Section 44A of the Civil Procedure Code on a statutory basis. Section 13 of the Civil Procedure Code provides that foreign judgments shall be conclusive as to any matter thereby directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except: (a) where it has not been pronounced by a court of competent jurisdiction; (b) where it has not been given on the merits of the case; (c) where it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (d) where the proceedings in which the judgment was obtained are opposed to natural justice; (e) where it has been obtained by fraud; and (f) where it sustains a claim founded on a breach of any law in force in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were to be brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, and is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law.

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

The Competition Act, 2002 (the "**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the CCI to separate such practices. The Competition Act regulates practices having an appreciable adverse effect on competition ("AAEC") in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of subscribers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

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

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

Any downgrading of India's credit rating by an international rating agency could adversely affect our business and the price of our Equity Shares.

India's sovereign rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. On November 17, 2017, Moody's Investor Services raised India's sovereign rating from the lowest investment grade of Baa3 to Baa2, and changed the outlook of Indian economy from "stable" to "positive". However, on November 24, 2017, Standard and Poor's maintained its India rating unchanged at the lowest investment grade of BBB–, with a stable outlook. Earlier, in July 2016, Fitch revised its outlook for the Indian banking sector from "stable" to "negative" due to the increase in the non – performing loans. There is no assurance that India's credit ratings will not be downgraded in the future. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our business and limit our access to capital markets, increase the cost of funds, adversely impact our liquidity position, our shareholders' funds and the price of our Equity Shares.

Natural disasters and other disruptions could adversely affect the Indian economy and could cause our business and operations to suffer and the price of our Equity Shares to decrease.

Our operations, including our branch network, may be damaged or disrupted as a result of natural disasters such as earthquakes, floods, heavy rainfall, epidemics, tsunamis and cyclones and other events such as protests, riots and labour unrest. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our branch network. We may also be liable to our customers for disruption in services resulting from such damage or destruction. Any of the above factors may adversely affect our business and financial results, the quality of our customer service and the price of our Equity Shares.

The market value of the Equity Shares may fluctuate due to the volatility of the Indian securities markets.

Indian securities markets may be more volatile than, and not comparable to, the securities markets in certain countries with more developed economies and capital markets than India. Indian stock exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities. Indian stock exchanges (including the BSE and the NSE) have experienced problems which, if such or similar problems were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of Indian stock exchanges have, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, from time to time, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have a negative effect on market sentiment.

An investor will not be able to sell any of the Equity Shares subscribed in this Issue other than across a recognized Indian stock exchange for a period of 12 months from the date of the issue of the Equity Shares.

Pursuant to the ICDR Regulations, for a period of 12 months from the date of the issue of the Equity Shares in this Issue, QIBs subscribing to the Equity Shares may only sell their Equity Shares on the recognized stock exchange and may not enter into any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. This may affect the liquidity of the Equity Shares purchased by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. See subsection titled *"Taxation—Statement of Possible Tax Benefits"* beginning on page 165.

SEBI operates an index-based market-wide circuit breaker. Any operation of a circuit breaker may adversely affect a shareholder's ability to sell, or the price at which it can sell, the Equity Shares at a particular point in time.

We are subject to a daily "circuit breaker" imposed by recognized stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker, and may change it without our knowledge from time to time. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. This may be triggered by an extremely high degree of volatility in the market activity (among other things). Due to the existence of this circuit breaker, there can be no assurance that shareholders will be able to sell the Equity Shares at their preferred price or at all at any particular point in time.

Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.

Foreign investment in Indian securities is subject to regulation by Indian regulatory authorities. Under the foreign exchange regulations currently in force in India, transfers of the Equity Shares between non-residents and residents are permitted (subject to certain exceptions) if they comply with, among other things, the pricing guidelines and reporting requirements specified by the RBI. If the transfer of the Equity Shares does not comply with such pricing guidelines or reporting requirements, or falls under any of the exceptions referred to above, then prior approval of the RBI will be required.

Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate any such foreign currency from India will require a no objection or a tax clearance certificate from the income tax authorities. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could have an adverse impact on our business. A rapid decrease in reserves would also create a risk of higher interest rates and a consequent slowdown in growth.

Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Rupee. There can be no assurance that India's foreign exchange reserves will not decrease again in the future. Further decline in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our business, financial condition and results of operations. While this may be beneficial to for our exports, a general decline in the liquidity may have an adverse effect on our results of operations and financial conditions.

We are also subject to risks relating to macroeconomic conditions in India. According to the RBI's latest financial stability report, global recovery remains fragile amidst slowdown in trade, rising tendency towards protectionism and slower growth in productivity. Global financial markets continue to face elevated levels of uncertainty, notwithstanding the resilience exhibited in their reaction to the outcome of Brexit referendum and the US presidential election. In India, macroeconomic conditions remain stable with significant moderation in inflation.

Moreover, reduced policy uncertainty and legislative and tax reforms such as implementation of goods and services tax and enactment of bankruptcy laws are expected to reinforce the benefits from the strong macro fundamentals and the withdrawal of legal tender status of specified bank notes could potentially transform the Indian economy. While the overall risks to the corporate sector moderated in 2016-17, concerns remain over its recovery. Domestic debt and equity markets witnessed foreign portfolio investment outflows since October 2016, which has since moderated, reflecting expectations of increase in the interest rates by the U.S. Federal Reserve.

Applicants to the Issue are not allowed to withdraw their Bids after the Bid/Issue Closing Date.

In terms of the Regulations 86 of the ICDR Regulations, applicants in the Issue are not allowed to withdraw their Bids after the Bid/Issue Closing Date. The Allotment of the Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with its depository participant could take approximately seven days and up to ten days from the Bid/Issue Closing Date. There is no assurance, however, that material adverse changes in the national and international monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the applicant's decision to invest in the Equity Shares, would not arise between the Bid/Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Bid/Issue Closing Date could also impact the market price of the Equity Shares. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence.

Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade by the Stock Exchanges.

Our Company has received the in-principle approvals under Regulation 28(1) of the Listing Regulations from the Stock Exchanges and application for final listing and trading approval shall be made post allotment of the Equity Shares. Investors can start trading the Equity Shares allotted to them only after the Equity Shares have been credited to an investor's demat account, are listed and permitted to trade by the Stock Exchanges. Since our Equity Shares are currently traded on the BSE and the NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading of the Equity Shares will commence in a timely manner.

There is no guarantee that the Equity Shares issued pursuant to this Issue will be listed on the Stock Exchanges in a timely manner.

In accordance with Indian law and regulations and the requirements of the Stock Exchanges, in principle and final approvals for listing and trading of the Equity Shares issued pursuant to this Issue will not be applied for or granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Equity Shares to be submitted. Accordingly, there could be a failure or delay in listing the Equity Shares on the Stock Exchange. If there is a delay in obtaining such approvals, we may not be able to credit the Equity Shares allotted to the investors to their depository participant accounts or assure ownership of such Equity Shares by the investors in any manner promptly after the Closing Date. In any such event, the ownership of the investors over Equity Shares allotted to them and their ability to dispose of any such Equity Shares may be restricted. For further information on issue procedure, see "*Issue Procedure*" beginning on page 132.

Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, a company incorporated in India must offer holders of its equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares who have voted on such resolution.

However, if the law of the jurisdiction that you are in, does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Recently, the currencies of a few Asian countries suffered depreciation against the US Dollar owing to amongst other, the announcement by the US government that it may consider reducing its quantitative easing measures.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, future financial performance and the prices of the Equity Shares. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years.

Since September 2008, liquidity and credit concerns and volatility in the global credit and financial markets increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major US and European financial institutions. These and other related events, such as the European sovereign debt crisis, have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets.

However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, financial condition and the trading price of the Equity Shares.

India's economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

The Indian tax regime is currently undergoing substantial changes which could adversely affect the Company's business and the trading price of the Equity Shares.

The goods and service tax ("GST") that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments. Due to the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST.

As regards the General Anti-Avoidance Rules ("GAAR"), the provisions of Chapter X-A (sections 95 to 102) of the Income Tax Act, 1961, are applicable from assessment year 2019 (Fiscal 2018) onwards. The GAAR provisions intend to declare an arrangement as an "impermissible avoidance arrangement", if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

An outbreak of an infectious disease or any other serious public health concerns in Asia or elsewhere could adversely affect our business.

The outbreak of an infectious disease in Asia or elsewhere or any other serious public health concern, such as swine influenza, could have a negative impact on the global economy, financial markets and business activities worldwide, which could adversely affect our business, financial condition, results of operations and the price of our Equity Shares.

We cannot assure you that a future outbreak of an infectious disease among humans or animals or any other serious public health concerns will not have a material adverse effect on our business, financial condition, results of operations and the price of our Equity Shares.

If more stringent labour laws or other industry standards in India become applicable to us, our profitability may be adversely affected.

We are subject to a number of stringent labour laws and restrictive contractual covenants related to levels of employment. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. If this policy is adopted, our ability to hire employees of our choice may be affected due to restrictions on our pool of potential employees. Our employees may also in the future form unions. If labour laws become more stringent or are more strictly enforced or if our employees unionize, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows.

The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLM. This price will be determined on the basis of applicable law and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price.

The Equity Shares are subject to transfer restrictions.

The Equity Shares are being offered in transactions not required to be registered under the Securities Act. Therefore, the Equity Shares may be transferred or resold only in a transaction registered under or exempted from the registration requirements of the Securities Act and in compliance with any other applicable securities laws. Pursuant to the SEBI Regulations, for a period of 12 months from the date of the issue of the Equity Shares in the Issue, QIBs subscribing Equity Shares in the Issue may only sell their Equity Shares on BSE or NSE and may not enter into any off-market transactions in respect of these Equity Shares. There is no assurance that the restriction will not have an impact on the price of the Equity Shares.

Any future issuance of Equity Shares or convertible instruments could dilute the holdings of investors in the Company and could adversely affect the market price of the Equity Shares.

Our Company may be required to finance its future growth and business requirements through additional securities offerings. Any future issuance of the Equity Shares or convertible instruments could dilute the holdings of investors in the Company and could adversely affect the market price of the Equity Shares. In addition, any future issuances of Equity Shares or any sale by any significant shareholder, or a perception in the market that such issuance or sale may occur, could adversely affect the trading price of the Equity Shares. Such securities may also be issued at price below the then current trading price of the shares.

There is no guarantee that the Equity Shares issued pursuant to this Issue will be listed on the BSE and the NSE in a timely manner, or at all, and any trading closure at the Stock Exchanges may adversely affect the trading price of the Equity Shares.

In accordance with Indian regulations and practice, permission for listing and trading of the Equity Shares issued pursuant to this Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE and the NSE. Any failure or delay in obtaining the approval would restrict an investor's ability to dispose of the Equity Shares. The Stock Exchanges have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of listed Indian entities, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of the Equity Shares. Historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, applicants in this Issue are not permitted to withdraw their Bids at any stage after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with its depository participant could take approximately seven days and up to 10 days from the Issue Closing Date. However, material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the Issue Closing Date and the date of Allotment. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

MARKET PRICE INFORMATION

The Equity Shares are listed and traded on the BSE and NSE. The stock market data presented below is given for the NSE and the BSE separately.

The following tables set forth the reported high, low, the number of Equity Shares traded and the total trading volume on the dates on which such high and low prices were recorded and the average closing prices of the Equity Shares, on the NSE and the BSE during the fiscal years ended March 31, 2015, March 31, 2016 and March 31, 2017.

NSE

Fiscal Year	High (₹)(1)	Date of High	Number of Equity Shares traded on date of high	Volume on date of high (₹ in lacs)	Low (₹)(2)	Date of low	Number of Equity Shares traded on date of low	Volume on date of low (₹ in lacs)	Average price for the Fiscal Year* (₹)	Total Number of Equity Shares traded	Total Volume (₹ in lacs)
FY2017	208.65	November 11, 2016	197,908	380.05	76.45	April 11, 2016	45,426	39.38	125.71	10,770,779	16,157.08
FY2016	166.00	April 10, 2015	4,086	5.87	59.00	February 12, 2016	30,634	18.65	93.12	2,616,768	2,501.82
FY2015	175.70	August 5, 2014	37,976	63.35	66.60	May 19, 2014	3,837	2.68	120.57	1,990,709	2,563.71

Source: www.nseindia.com
** Average of the daily closing price*
(1) High of Intraday Highs. In case the price is the same on 2 dates then the date on which the volume is higher has been considered.
(2) Low of Intraday Lows. In case the price is the same on 2 dates then the date on which the volume is higher has been considered.

BSE

Fiscal Year	High (₹)(1)	Date of High	Number of Equity Shares traded on date of high	Volume on date of high (₹ in lacs)	Low (₹)(2)	Date of low	Number of Equity Shares traded on date of low	Volume on date of low (₹ in lacs)	Average price for the Fiscal Year* (₹)	Total Number of Equity Shares traded	Total Volume (₹ in lacs)
FY2017	209.65	November 11, 2016	80,751	157.67	78.50	April 1, 2016	14,394	11.96	125.68	4,436,339	6,639.88
FY2016	174.00	April 15, 2015	9,393	14.99	58.35	February 12, 2016	12,132	7.31	93.07	1,746,805	1,695.30
FY2015	175.30	August 5, 2014	45,623	74.81	67.00	May 16, 2014	6,298	4.36	120.35	2,335,138	2,892.70

Source: www.bseindia.com
** Average of the daily closing price*
(1) High of Intraday Highs. In case the price is the same on 2 dates then the date on which the volume is higher has been considered.
(2) Low of Intraday Lows. In case the price is the same on 2 dates then the date on which the volume is higher has been considered.

The following tables set forth the reported high, low, the number of Equity Shares traded and the total trading volume on the dates on which such high and low prices were recorded and the average closing prices of the Equity Shares, on the NSE and the BSE during the last six months:

NSE

Month, Year	High (₹)(1)	Date of High	Number of Equity Shares traded on date of high	Volume on date of high (₹ in lacs)	Low (₹)(2)	Date of low	Number of Equity Shares traded on date of low	Volume on date of low (₹ in lacs)	Average price for the Month* (₹)	Total Number of Equity Shares traded	Total Volume (₹ in lacs)
December, 2017	487.70	December 4, 2017	267,985	1,279.63	371.50	December 18, 2017	108,239	481.70	460.22	2,204,315	10,247.42
November, 2017	491.95	November 21, 2017	358,241	1,712.47	390.05	November 14, 2017	373,003	1,563.70	433.93	3,754,908	16,663.46
October, 2017	443.95	October 30, 2017	384,099	1,674.31	387.50	October 9, 2017	56,223	220.83	406.93	3,000,062	12,535.47
September, 2017	458.90	September 13, 2017	863,232	3,828.03	359.00	September 28, 2017	45,802	168.79	399.21	3,611,619	14,949.32
August, 2017	422.00	August 7, 2017	357,663	1,461.88	306.00	August 11, 2017	162,458	540.80	375.00	3,393,534	12,976.53
July, 2017	437.00	July 11, 2017	617,572	2,599.01	320.20	July 3, 2017	118,483	390.68	389.58	4,196,054	16,546.07

Source: www.nseindia.com
** Average of the daily closing price*
(1) High of Intraday Highs. In case the price is the same on 2 dates then the date on which the volume is higher has been considered.
(2) Low of Intraday Lows. In case the price is the same on 2 dates then the date on which the volume is higher has been considered.

BSE

Month, Year	High (₹)(1)	Date of high	Number of Equity Shares traded on date of high	Volume on date of high (₹ in lacs)	Low (₹)(2)	Date of low	Number of Equity Shares traded on date of low	Volume on date of low (₹ in lacs)	Average price for the Month* (₹)	Total Number of Equity Shares traded	Total Volume (₹ in lacs)
December, 2017	487.40	December 4, 2017	74,843	356.22	400.00	December 18, 2017	47,419	209.82	460.69	761,143	3,541.07
November, 2017	492.00	November 21, 2017	106,758	512.22	391.00	November 14, 2017	127,130	530.68	434.24	1,172,705	5,182.27
October, 2017	443.05	October 30, 2017	66,306	289.05	387.50	October 9, 2017	26,127	102.52	406.96	906,851	3,756.62
September, 2017	459.00	September 13, 2017	182,554	811.38	359.70	September 28, 2017	14,627	53.80	399.19	1,132,646	4,660.57

Month, Year	High (₹)(1)	Date of high	Number of Equity Shares traded on date of high	Volume on date of high (₹ in lacs)	Low (₹)(2)	Date of low	Number of Equity Shares traded on date of low	Volume on date of low (₹ in lacs)	Average price for the Month* (₹)	Total Number of Equity Shares traded	Total Volume (₹ in lacs)
August, 2017	422.70	August 7, 2017	99,558	407.77	305.15	August 11, 2017	60,820	201.70	374.72	1,130,825	4,301.00
July, 2017	435.70	July 11, 2017	235,527	993.08	319.70	July 3, 2017	35,147	115.57	389.04	1,504,682	5,956.18

Source: www.bseindia.com
** Average of the daily closing price*
(1) High of Intraday Highs. In case the price is the same on 2 dates then the date on which the volume is higher has been considered.
(2) Low of Intraday Lows. In case the price is the same on 2 dates then the date on which the volume is higher has been considered.

The following table sets forth the market price on the Stock Exchanges on December 11, 2017, the first working day following the approval of the Board of Directors for the Issue:

Date	NSE				BSE			
December 11, 2017	Open	High	Low	Close	Open	High	Low	Close
Price of the Equity Shares (₹)	466.45	480.00	465.05	467.00	473.40	480.55	464.50	466.35
No. of Equity Shares traded	86,193				31,614			
Volume (₹ in lacs)	407.26				149.39			

Source : www.nseindia.com, www.bseindia.com

USE OF PROCEEDS

The gross proceeds from the Issue will be ₹ 13,650.00 Lacs. The net proceeds from the Issue after deducting fees, commissions and expenses of approximately ₹ 100.00 Lacs, will be approximately ₹ 13,550.00 Lacs. ("**Net Proceeds**")

Subject to compliance with applicable laws and regulations, our Company intends to use the Net Proceeds primarily for pre-payment / repayment of our current outstanding borrowings availed from financial institutions and augment the working capital needs of the Company and for other general corporate purposes as may be permissible under applicable law. As on September 30, 2017, the total outstanding borrowings of our Company was ₹7,723.65 lacs and as on March 31, 2017 was ₹7,378.43.

The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us. In accordance with the decision of our Board, our management will have flexibility in applying the Net Proceeds of this Issue. Such investments will be in accordance with the investment policies approved by the Board and/ or a duly authorized committee of the Board, from time to time, and will also be in accordance with all applicable laws and regulations.

If the Net Proceeds are not completely utilised for the purposes stated hereinabove by such periods due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) delay in procuring and operationalising assets; (iv) receiving the necessary approvals; and (v) other commercial considerations, the same would be utilised (in part or full) in the subsequent periods as may be decided by our Board, in accordance with applicable law. Further, the Board may at its discretion, utilise any unutilised portion of Net Proceeds allocated for capital expenditure, towards general corporate purposes.

The Net Proceeds of the Issue are not proposed to be utilised towards any specific project. Accordingly, the disclosure requirements under the ICDR Regulations with respect to: (i) break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project, are not applicable.

Pending utilisation of the Net Proceeds for the purposes described above, our Company intends to temporarily invest the funds in bank deposits, high quality interest / dividend bearing liquid instruments, including money market mutual funds, as approved by the Board in accordance with the investment policy and applicable laws.

Our Promoter or Directors are not making any contribution either as part of the Issue or separately in furtherance of the proceeds of the Issue.

CAPITALIZATION STATEMENT

The following table sets forth our Company's capitalisation and total debt, as on March 31, 2017 derived from our Company's Audited Financial Statements for the Fiscal 2017 and Reviewed Financial Statements. This table should be read with the section *"Summary Financial Information"*, *"Risk Factors"* "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and *"Summary of Financial Information"* on pages 33, 36, 66 and 33 respectively.

(₹ In Lacs)

Particulars	**Pre – Issue as at**		**As Adjusted for the Issue**
	As per Indian GAAP March 31, 2017	**As per IND AS September 30, 2017**	
	(A)	**(B)**	
Indebtedness			
Long term Borrowings	2006.71	1788.94	1,788.94
Short Term Borrowing	4860.88	5434.71	5,434.71
Current Maturities of Long Term Borrowings	510.84	500.00	500.00
Total Indebtedness (A)	7378.43	7723.65	7,723.65
Shareholders' Funds			
Equity Share Capital	1600.40	1600.40	1,900.40
Reserves and Surplus(1)	12158.24	14534.49	27,784.49
Total Shareholders' Funds (B)	13758.64	16134.89	29,684.89
Total Capitalisation (A) + (B)	21137.07	23858.54	37,408.54

Note:

(1) Reserves and surplus is net of adjustments for estimated Issue expenses of approximately ₹ 100.00 Lakhs

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Placement Document is set forth below:

No.	Particulars	Amount in Lacs Aggregate nominal value
A.	**Authorised Share Capital**	
	2,05,00,000 Equity Shares of ₹ 10 each	2,050.00
	50,000 16% Cumulative Redeemable Preference Shares of ₹ 100 each	50.00
	Total	2,100.00
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**	
	1,60,04,000 Equity Shares of ₹ 10 each	1,600.40
C.	**Present Issue in terms of this Placement Document**	
	30,00,000 Equity Shares of ₹ 10 each(1)	300.00
D.	**Subscribed and Paid-Up Share Capital after the Issue**	
	1,90,04000 Equity Shares of ₹ 10 each	1,900.40
E.	**Securities Premium Account**	
	Before the Issue	Nil
	After the Issue (2)	13,350.00

Note:

1. *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 8, 2017 and by the shareholders of our Company vide a special resolution passed at the Extra-ordinary General Meeting held on January 5, 2018 pursuant to sections 42 and 62(1)(c) of the Companies Act.*

2. *The Securities Premium Account shall be calculated on the basis of gross proceeds from the Issue.*

NOTES TO THE CAPITAL STRUCTURE

1. History of Equity Share Capital of our Company

The history of the equity share capital of our Company is provided in the following table:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment
July 14, 1993	30	10	10	Cash	Subscription to the MoA dated July 12, 1993
March 25, 2000	40	10	10	Cash	Further Allotment to Promoters consequent to conversion from private to public
March 31, 2003	49,930	10	10	Cash	Preferential Allotment
August 30, 2003	9,50,000	10	10	Cash	Preferential allotment
March 23, 2004	54,34,000	10	-	Other than cash	Allotment pursuant to scheme of amalgamation(1)
April 21, 2011	95,70,000	10	10	Cash	Preferential allotment

(1) Allotment of equity shares as per scheme of reconstruction and arrangement between Nath Seeds Limited and our Company approved by the High Court of Mumbai vide its order dated August 27, 2003.

2. Details of allotments made in the last one year

Except as stated below, our Company has not issued any Equity Shares in the last one year preceding the date of this Placement Document:

3. Employee Stock Option Plan

Our Company does not have an employee stock option plan.

DIVIDEND POLICY

The declaration and payment of dividend by our Company is governed by the applicable provisions of the Companies Act and our Articles of Association. Under the Companies Act, the board of directors of a company recommends the payment of a dividend and the shareholders approve of the same at a general meeting. In case of final dividend, it is recommended by the board of directors and approved by the shareholders at the annual general meeting (AGM) and is distributed and paid to shareholders in proportion to the paid-up value of their shares as on the record date for which such dividend is payable. Under the Companies Act, dividends can only be paid in cash to shareholders listed on the register of shareholders or those persons whose names are entered as beneficial owner in the record of the depositary on the date specified as the ‘record date’ or ‘book closure date’.

Under the Companies Act, a company may pay dividends only out of (i) its profits in the year in which the dividend is declared (after providing for depreciation); or (ii) out of money provided by the Central Government or a State Government for the payment of dividend by the company in pursuance of a guarantee given by that Government; or (iii) accumulated profits earned by the company in the previous years and transferred by the company to the reserves in accordance with the Companies (Declaration and Payment of Dividend) Rules, 2014.

The following table details the dividend declared by our Company on the Equity Shares for the Fiscal 2017, Fiscal 2016 and Fiscal 2015:

Financial Year ended	Fiscal 2017	Fiscal 2016	Fiscal 2015
Face Value of Equity Shares (₹ per share)	10	10	10
Rate of dividend (%)	Nil	Nil	Nil
Dividend per Equity Share (₹)	Nil	Nil	Nil
Total dividend declared (₹ in lac)	Nil	Nil	Nil
Tax on total dividend paid (₹ in lac)	Not Applicable	Not Applicable	Not Applicable

As on date of this Placement Document, our Company does not have any dividend policy. The amounts paid as dividends in the past are not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in the future.

Dividends are payable within 30 days from the date of its declaration. Any shareholder who ceases to be a shareholder prior to the record date or who becomes a shareholder after the record date will not be entitled to the dividend declared by our Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Audited Financial Statements as of and for the financial years ended March 31, 2017, 2016 and 2015 including the schedules and notes thereto and report thereon and our Limited Review Financial Statements as at and for the six month period ended September 30, 2017 including the schedules and notes thereto and report thereon, included elsewhere in this Placement Document.

Our Audited Financial Statements are prepared in accordance with Indian GAAP and our Limited Review Financial Statements are prepared in accordance with Indian Accounting Standards, which differ in certain material respects with IFRS and U.S. GAAP. This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements. You should also read the section "Risk Factors" on page 36, which discusses a number of factors and contingencies that could impact our financial condition and results of operations.

While we have historically prepared our Audited Financial Statements in accordance with Indian GAAP, we are transitioning to preparing our financial statements in accordance with Ind AS as required by the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015. Accordingly, our Reviewed Financial Statements have been prepared in accordance with Ind AS. For further details, see "Summary of Key Differences between Indian GAAP and Ind-AS" on page 86.

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12 month period ended March 31 of that year. This discussion contains certain forward-looking statements and reflects our current assessment of potential events in the future, and our future financial performance. Actual results may differ materially from those anticipated in these forward looking statements as a result of certain factors such as those set forth in "Risk Factors", "Forward Looking Statements", "Our Business" on pages 36, 15 and 105 and elsewhere in this Placement Document. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward looking statements.

Overview

We are a research and development driven company primarily into the business of production, processing and marketing of high quality hybrid seeds for different field crops like cotton, jowar, bajra, maize, wheat, paddy, mustard, sunflower and wide range of vegetables. In order to diversify our offering, we also forayed into trading of micro nutrient supplements used for increasing enzymatic activities in plant resulting in good metabolic process. Since our incorporation in July, 1993, we have significantly expanded and diversified our product profile, client base and geographical footprint. As on December 31, 2017, we have a product portfolio which includes, seeds for 12 different field crops and vegetables and 1 plant nutrient supplement and have a distribution network in 16 states across India. Further, as on December 31, 2017, we have a pool of germ plasm with approximately 19,000 lines.

We offer a wide range of seeds categorized as research seeds and hybrid seeds. Research seeds are high quality seeds being produced by a backward integration process and offer natural nutrient qualities. These seeds require intensive research and are also called pure seeds. Hybrid seeds are produced through open pollination and cross pollination process. Our products are organized into the four product groups, (i) cereals, which include maize, paddy, pearl millet, wheat and jowar, (ii) fiber and oil seeds which include cotton, mustard and sunflower, (iii) vegetables such as chilli, okara, tomato, brinjal, bottle gourd, bitter gourd, sponge gourd, ridge gourd, cucumber, coriander etc. and (iv) plant nutrient supplements such as Win Chi Win.

We currently have 10 production centres and 2 processing centres in 7 states, out of which the processing centre in Aurangabad is on land which is owned by us. Further, we have 11 research trial stations in 7 states, out of 2 research trial stations are owned by our Company. Our research mainly focuses on developing superior hybrids in different crops suitable for varying agro climatic conditions, such as water availability, crop duration and soil attributes, across different geographic regions. We have made significant investments to enhance our R&D capabilities over the years and believe that our emphasis on R&D has been critical to our success. Our Company has been recognized by the Department of Science and Industrial Research ("**DSIR**"), Government of India as an in-house R&D company. In Fiscal 2017 and the six months ended September 30, 2017, our Company incurred ₹ 867.44 lacs and ₹ 310.49 lacs, respectively, in research and development expenses. As at December 31, 2017, our R&D team comprises 43 personnel, including 11 scientists, of which 3 are a part of our senior management. Our research team is led by Dr. Satish Raina, with over 4 decades of experience in development and research of hybrid seeds. As on December 31, 2017, we have developed more than 40 different hybrids with superior yields and characteristics which make them attractive for cultivation.

As on December 31, 2017, we had a total workforce of 343 employees including 7 senior management personnel, 29 accounts personnel, 143 marketing personnel, 87 production, processing & quality assurance personnel, 37 administrative staff, and 40 R&D personnel. We have over the years developed an extensive network of distributors and dealers across India. As at December 31, 2017, we have 16 branch offices and approximately 1,265 distributors. Our 12 strategically located distribution and storage facilities (including conditioned storage facilities), help us meet the varying requirements of our customers in 16 states in India. We believe our extensive distribution network allows us to penetrate rural markets across major crop producing regions of India.

Our Company's business history related to the research and development of high quality, high yielding hybrid seeds and plant biotechnology can be traced back to 1980 when Nath Seeds Limited was promoted by various promoters including Nandkishor Kagliwal. Pursuant to a Scheme of Arrangement, approved by the High Court of Judicature at Bombay, pursuant to its order dated August 27, 2003, between Nath Seeds Limited, Nath Bio-Genes (India) and Agri-Tech (India) Ltd, the entire running business of the seed division of Nath Seeds Limited was transferred to our Company. For further information on Scheme of Arrangement, see *"Key milestone"* in the chapter '*Our Business*' on page 105.

We have entered into an MOU with Global Transgenes Limited, our Associate Company, for use of Bollgard II technology which is used for genetic modification of cotton seeds. Our Company has also entered into an agreement with International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) for transfer of breeding material whereby our Company procures breeding material from ICRISAT for further product development. We have set up 11 research trial stations for evaluating research products across agro climatic zones which further help us in not only making high yields seeds, but also in creating seed embedded technologies to protect against specific biotic / abiotic stressors.

For the period ended on September 30, 2017 and in fiscal 2017, 2016 and 2015 we generated net revenue from operations of ₹ 11,588.79 lacs, ₹ 16,972.56 lacs, ₹ 16,210.59 and ₹ 18,532.70, respectively and net profit after tax of ₹ 2,373.14 lacs, ₹ 1,628.25,lacs, ₹ 1,416.75 and ₹ 2,539.75 respectively.

Significant factors affecting our business, financial condition and results of operations

Set out below are some of the more significant factors that have affected our results of operations in the past, as well as factors that are currently expected to affect our results of operations in the foreseeable future. These factors include:

Our business is subject to seasonal and weather factors, which make our operations relatively unpredictable

The agricultural sector on which our business is dependent is subject to varying soil conditions, climatic conditions, rainfall, seasonal and weather factors, which make the performance of the agricultural sector as a whole or the levels of production of a particular crop relatively unpredictable. As is typical in the Indian seeds industry, our results of a reporting period that is less than a full fiscal year may not be necessarily comparable with the preceding or succeeding reporting periods. Our sales activities for seeds take place only after the seeds have been planted, harvested and prepared for sale. Traditionally, the revenues recorded during planting and harvesting seasons are traditionally lower compared to revenues recorded during the periods following such seasons. During periods of lower sales activities, we may continue to incur substantial operating expenses, but our revenues may bear usually much lower or delayed or reduced. Consequently, the results of one reporting period may not be necessarily comparable with the preceding or succeeding reporting periods. Also, see, *"Risk Factors – We primarily focus on seed business, which is seasonal and cyclical in nature. Accordingly, the demand for our products and cash flows from operations and other operating results may fluctuate on a seasonal and quarterly basis." on page 36.*

Product development and registration

We are a research driven company, with our R&D efforts focused on developing processes for variety of seeds for expansion of our current product portfolio and improve existing processes and production cost efficiency. To develop our product pipeline, we commit substantial time, efforts, funds and other resources for R&D. The R&D process is often time consuming and costly, and obtaining an approval or patent protection in any one jurisdiction would not ensure approval in other jurisdictions. Our processes and products that are currently under development, if and when fully developed and tested, may not perform as we expect, necessary regulatory approvals or registrations may not be obtained in a timely manner, if at all, and we may not be able to successfully and profitably produce and utilize such products or processes.

In Fiscal 2015, Fiscal 2016, Fiscal 2017 and the six months ended September 30, 2017, our Company incurred ₹ 1222.94 lacs, ₹ 1111.67 lacs, ₹ 867.44 lacs and ₹ 310.49 lacs, respectively, on research and development which accounted for 6.61%, 6.86%, 5.11% and 2.68% of our revenue from operations in those periods, respectively. Further, as a part of our strategy we continue to focus on seeking registrations to expand our valuable library of germ-plasm and increase of product portfolio. The legal and procedural requirements for seeking registrations, are fairly complex, stringent and time consuming. The registration process is also capital intensive and requires large financial commitment. We invest substantial capital on creating the dossier and registration fees, field trials, fees to consultants, laboratories and other intermediaries to ensure compliance with applicable regulatory requirements, safety standards and effectiveness of the formulation on crops. Accordingly, our profitability, financial condition and market position is dependent on our ability to obtain the necessary registration in a timely manner and to successfully launch and market our products.

Growth in our portfolio of seeds for cereals and vegetables and preferred nutrient supplement

While we continue to expect cotton seeds to remain a key product going forward, we intend to continue to increase our market share in cereals and vegetables. We also intend to increase our market share in preferred nutrient supplement. We believe that the production of hybrid seeds for crops such as paddy, maize and vegetables such as okra, tomatoes and chilies and the production of open pollinated seeds for paddy and mustard continue to present significant growth potential for us in the future. Our revenue from the sale of seeds of cereals, vegetables and micro- nutrients decreased in Fiscal 2016 to ₹ 16210.59 as compared to ₹18532.70 in Fiscal 2015 due to bad monsoon. However, it subsequently increased to ₹16972.56 in Fiscal 2017 and is ₹ 11588.79 as at September 30 2017. We recognize that the growth in seed market in cereals and vegetable and preferred nutrient supplement and therefore intend to materialize the same in our total revenue. Accordingly, our profitability, financial condition and market position is dependent on our ability to grow in our portfolio of seeds for cereals and vegetables and preferred nutrient supplement.

Distribution network

We currently have a strong distribution presence across 16 states in India, and we intend to strengthen our distribution network and expand to all the states in India. In order to grow the business beyond existing geographies and to launch new products, we intend to widen our distribution network. While we expect increased sales resulting from expansion of our distribution network, we will be required to make significant investments in our distribution infrastructure by increasing our distributor network. We may, however, not be as successful in strengthening and expanding our presence across India as we anticipate. Further, inefficiencies in our distribution network which may be beyond our control may lead to our products not being delivered to retailers on time, or being delivered in damaged condition, leading to loss of business and harm to our brand, thereby adversely affecting our results of operations.

Competition

The seed industry in India is highly fragmented and competitive. We compete with other seed manufacturers on the basis of availability of products, product range, product traits as well as for production inputs, such as arable land and seed growers. Further, the introduction of biotechnology has resulted in the entry of various agro-input companies into the seed industry, thus increasing the competition in the industry.

As a result, we anticipate that we will continue to face newer and different competitive challenges. The period for developing and commercializing a hybrid can run into several years. However, the greater financial, marketing, technological and other resources of certain of our competitors may enable them to commit larger amounts of capital in response to changing market conditions, or to achieve substantially more market penetration in certain segments of those markets in which we operate or to anticipate the course of market developments and trends more effectively than we do and to develop product and process innovations and capabilities that may put us at a disadvantage. We may also face competition from new entrants in the market as well as aggressive pricing and marketing strategies by other manufacturers trying to gain market share.

Significant Accounting Policies

The Accounting Policies have been consistently applied by the Company and are consistent with those applied in previous year. However the changes as required by a change or revision to an existing Accounting Standard are dealt in the appropriate paras in the notes forming part of the reformatted financial statements.

I. The financial statements are prepared on historical cost basis in accordance with applicable Accounting Standards and on accounting principles of a going concern. These financial statements have been prepared to comply with all material aspects with the accounting standards notified under section 133 of the Act, ((the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Act.

II. Interest on overdue debtors is accounted for as and when received, as the collection cannot be ascertained with reasonable certainty.

III. Sales return are accounted for / provided for in the year in which they pertain to, as ascertained till finalization of the books of account.

IV. Compensation on account of crop quality discounts are accounted for as and when settled.

V. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

Fixed assets:

I. Fixed Assets are stated at cost including freight, duties, taxes and all incidental expenses related thereto.

II. New product development expenditure is capitalized to Seed Development Know-how. The same is written off in ten equal yearly installments commencing from the year of acquisition / incurring such expenditure.

Capital Work-In-Progress

Expenditure related to and incurred during the implementation of the projects is included under Capital Work-in-Progress and the same are capitalized under the appropriate heads on completion of the projects.

Depreciation / Amortization

I. Depreciation on Fixed Assets, except for Intangible Assets, Development and Research Assets (Seed Development Know-How & Gene Development Know-How), is provided for on basis of useful life specified in Schedule II to the Act.

II. Intangible assets such as brands, trademarks, marketing rights, seed development know-how are amortized in ten equal yearly instalments commencing from the year in which the tangible benefits start accruing to the Company from such assets.

III. Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of assets. The useful life is adopted for the purpose of depreciation is as under.

Assets	Useful life year
Factory Building	30
Plant and Machineries	15
Laboratory Equipment's	10
Agricultural Equipment's	15
Office Equipment's	15
EDP Equipment's	3
Furniture & Fixture	10
Motor Car & Light Vehicle	8

Research and Development Expenditure:

The research expenditure incurred has been charged off to the Statement of Profit and Loss.

Inventories:

I. The inventories including sales returns are valued at lower of cost and net realizable value. Cost is assigned on weighted average basis. Obsolete, defective and unserviceable stocks are provided for.

II. Cost of finished products comprises the cost of processing and other cost incurred in bringing the inventories to their present location & condition.

Foreign Currency Transactions:

I. Transactions in foreign currency are recorded at the rate prevailing on the date of the transaction.

II. Current Assets and Current Liabilities in foreign currency outstanding as at the year-end are stated at the rates of exchange prevailing at the close of the year. The resultant gains/losses of the year are recognized in the Statement of Profit and Loss.

Government Grants

I. Grants are accounted for where it is reasonably certain that the ultimate collection will be made.

II. Grants relating to Fixed Assets in the nature of Project Capital Subsidy are credited to Capital Reserve.

III. Others are credited to Statement of Profit and Loss.

Retirement Benefits:

Liability as at the yearend in respect of retirement benefits is provided for and/ or funded and charged to Statement of Profit and Loss as follows:

i) Provident Fund / Family Pensions:

At a percentage of salary/wages for eligible employees.

ii) Gratuity

The liability in respect of future payment of gratuity is changed and the same is provided based on the actuarial valuation.

iii) Leave Encashment

The liability in respect of accumulated leave of the employees is provided based on the actuarial valuation.

Borrowing Cost

Borrowing cost directly attributable to acquisition, construction, production of qualifying assets are capitalized as a part of the cost of such assets up to the date of completion. Other borrowing costs are charged to Statement of Profit and Loss.

Taxation

I. Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of Income Tax Act 1961.

II. Deferred tax for timing difference between tax profit and book profit is accounted for using the tax rates and laws as have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that these assets can be realized in future and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

Agricultural Activities

I. Income from the agricultural activities is accounted for up to the stage of dispatch of goods by the Company to the customer after processing.

II. Expenses which are directly related to the agricultural activities have been accounted for in the books of account under the respective activities. Expenses which are not related to the specific activities are allocated on the basis of turnover (net of return and Schemes & Discounts) of Agricultural activities and Trading activities.

III. Certain un-allocable expenses like extra-ordinary items / prior year expenses are not allocated.

Earnings Per Share

"Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company’s earnings per share is the net profit for the year attributable to equity shareholders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, which have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

Principal Components of our Revenue and Expenses

Total Revenue

Our total revenue consists of (a) revenue from operations and (b) other income.

Revenue from operations

Our revenue from operations, primarily comprises of domestic sales and export sales of seeds. The sale of seeds consists primarily of revenue from the sale of hybrid seeds for cotton, paddy, maize, vegetables and seeds for other field crops, including wheat, sunflower, sorghum, pearl millet, mustard and castor. In addition to these, we also sell plant nutrient supplement which is used for boosting plant growth.

Other Income

Our other income primarily includes income from interest on deposits, loans and interest-bearing securities and dividend income on mutual funds. The interest income is recognised using the time proportion method and dividend income is recognised when the unconditional right to receive the income is established.

Expenses

Our total expenses comprised of purchase of stock in trade, changes in inventory of finished goods, work-in-progress, employee benefit expenses, other expenses, finance costs, depreciation and amortization, loss on sale of investment and provision for investment value diminishing.

Purchase of stock in trade

Our cost of materials consumed consists primarily of the costs for seed production, cost of packing and other materials. Costs for seed production include compensation for land usage, service charges paid to farmers, expenditure on farm labour and agricultural inputs, the cost of the stock of raw seed produced from previous years, the cost of foundation seeds produced.

Changes in inventories of finished goods and work-in-progress

We include the net of our opening and closing stocks for work-in-progress and finished goods as an expense. We also include a provision for returns of seeds from our customers, estimated based on our assessment of market and agricultural conditions, demand, advance orders cancelled, amounts of returns in previous years and total orders for the current year.

Employee benefit expenses

Our personnel expenses comprise expenditure in connection with (i) director remuneration; (ii) director sitting fees; (iii) salaries, wages and bonus contributions to provident fund, other contribution gratuity fund contributions; (iv)provision for leave encashment; and (v) staff welfare expenses / other benefits.

Other Expenses

Our other expenses comprise mainly of:

(a) Seed conditioning expenses, which includes freight inward, processing material consumption, power and fuel, repair, maintenance etc.

(b) Administrative expenses, which includes rent, insurances, vehicles, communication, security etc.
(c) Selling expenses which includes advertisement, sales promotion, travelling, freight outward, bed debts etc.
(d) R&D expenses which includes field work expenses, salary wages, farming, seminar etc.

Depreciation and amortization expenses

The Company provides depreciation on basis of useful lives as prescribed in Schedule II of the Companies Act, 2013 consequent to schedule II becoming applicable w. e. f. 01st April 2014.

Intangible Assets are amortized on Straight Line Method over the useful life, based on the economic benefits that would be derived, as per the estimates made by the management, computer software to be written off over a period of three years. Deprecation on fixed assets prior to 1st April 2014 is provided on Straight Line Method on a pro-rata basis at the rates prescribed under Schedule XIV of the Companies Act, 1956. However deprecation on computers and computer softwares where provided on WDV method, as the rates prescribed under Schedule XIV of the Companies Act, 1956.

Finance costs

Our finance cost includes interest expense paid to banks, interest paid to others (interest on statutory payments and interest paid to creditors) and bank charges and commission.

Results of Operations in our Audited Financial Statements prepared under Indian GAAP

The following table sets forth certain information with respect to our revenues, expenses and profits, also expressed as a percentage of our total revenue, for Fiscal 2015, Fiscal 2016 and Fiscal 2017, as derived from our Audited Financial Statements:

(₹ in Lacs)

Particulars	Year ended March 31, 2017	% of total revenue	Year ended March 31, 2016	% of total revenue	Year ended March 31, 2015	% of total revenue
Revenue from Operations	16972.56	99.61	16210.59	99.57	18532.70	99.69
Other Income	65.91	0.39	70.82	0.43	58.51	0.31
Total Revenue	**17038.47**	**100.00**	**16281.41**	**100.00**	**18591.21**	**100.00**
Expenses						
Purchase of stock in trade	196.52	1.15	436.01	2.68	358.59	1.93
Production Expenses	4773.46	28.02	6147.62	37.76	6693.68	36.00
Change in Inventories	1040.42	6.11	-2442.00	-15.00	-2974.98	-16.00
Employees Benefits Expenses	1373.61	8.06	1363.44	8.37	1567.98	8.43
Finance costs	965.71	5.67	623.09	3.83	459.20	2.47
Depreciation & amortization	303.04	1.78	390.48	2.40	438.71	2.36
Other expenses	6703.43	39.34	8253.15	50.69	9419.20	50.66
Total expenses	**15356.19**	**90.13**	**14771.79**	**90.73**	**15962.37**	**85.86**
Profit for the year before prior year expenses	**1682.28**	**9.87**	**1509.62**	**9.27**	**2628.83**	**14.14**
Prior Year Expenses	**6.94**	**0.04**	**1.88**	**0.01**	**-6.46**	**-0.03**
Profit /(loss) before tax	1675.34	9.83	1507.75	9.26	2635.29	14.17
Tax Expenses						
Provision for Income Tax	45.64	0.27	86.10	0.53	101.04	0.54
Provision / (Reversal of Provision) for Income Tax of earlier years	0.00		-13.82	-0.08	4.46	0.02
Provision for Wealth Tax	0.00		0.00		2.12	0.01
Provision for Deferred Tax (Assets)	1.46	0.01	18.73	0.12	-12.09	-0.07
Profit for the year	1628.25	9.56	1416.75	8.70	2539.75	13.66
Earnings per Equity Share: (Amount in ₹)						
(1) Basic	10.17		8.85		15.87	
(2) Diluted	10.17		8.85		15.87	

Financial Year 2017 compared with Financial Year 2016

Revenue

Revenue from operations

Revenue from operations increased by 4.70% from ₹ 16210.59 Lacs for the Fiscal 2016 to ₹ 16972.56 Lacs in Fiscal 2017. This increase in revenue from operations was primarily driven by 5.95% increase in our sale of agricultural products. Sale of commercial seeds and remnant increased from ₹ 14648.58 Lacs for the Fiscal 2016 to ₹ 15524.20 Lacs in Fiscal 2017, which was mainly due to better product demand

However, there was a negligible decrease in the sale of foundation seeds by 5.02% from ₹ 32.33 Lacs for the Fiscal 2016 to ₹ 30.71 Lacs in Fiscal 2017.

Revenue from trading of agricultural products such as win chi win, coriander etc contributed 8.35 % of our revenue from operation in Fiscal 2017 as against 9.44 % in Fiscal 2016. Further, there was a decrease in the revenue from trading of agricultural products by 7.32% from ₹ 1529.68 Lacs for the Fiscal 2016 to ₹ 1417.65 Lacs in Fiscal 2017 mainly on account of better growth in own products.

Other Income

Other income decreased by 6.93% from ₹ 70.82 Lacs for the Fiscal 2016 to ₹ 65.91 Lacs for the Fiscal 2017, primarily on account of:

a. decrease in interest income by 94.16% from ₹ 5.99 Lacs for Fiscal 2016 to ₹ 0.35 Lacs in Fiscal 2017, being reduction in interest received;

b. increase in export incentives which amounted for ₹ 7.88 Lacs in Fiscal 2017 as against Nil for Fiscal 2016, which was on account of export incentives claimed;

c. decrease in excess provisioning written back from ₹ 13.02 Lacs for Fiscal 2016 to ₹ 2.44 Lacs in Fiscal 2017, on account of accounting; and

d. decrease of other income such as government incentives, scrap sale etc by 3.83% from ₹ 47.75 Lacs for Fiscal 2016 to ₹ 45.92 Lacs in Fiscal 2017 which was due to operations.

Other income as a percentage of Total Revenue increased from 043% for Fiscal 2016 to 0.39% for Fiscal 2017.

Total Revenue

Total Revenue increased by 4.65% from ₹ 16281.41 Lacs for the Fiscal 2016 to ₹ 17038.47 Lacs for Fiscal 2017, primarily due to an increase in Revenue from Operations as explained above.

Expenses

Cost of Production

(a) Cost of raw material and production expenses decreased by 22.35% from ₹ 6147.62 Lacs for the Fiscal 2016 to ₹ 4773.46 Lacs for the Fiscal 2017, primarily due to reduced production of materials since the existing inventory was to be utilised.

(b) Our inventories of finished goods, work-in-progress increased to ₹ 1040.42 Lacs for Fiscal 2017 as against an increase in inventories of ₹ (2442.00) Lacs for Fiscal 2016. Since the existin inventory was utilized for sales.

(c) The overall cost of material consumes increased by 45.12% to ₹ 6010.40 lacs in fiscal 2017 from ₹ 4141.62 lacs in fiscal 2016, basically due to change in product mix and utilization of earlier stocks.

Employee benefits expenses

Employee benefits expenses marginally increased by 0.75% from ₹ 1363.44 Lacs in Fiscal 2017 to ₹ 1373.61 Lacs in Fiscal 2016. Employee benefits expenses as a percentage of Total Revenue reduced from 8.37% in Fiscal 2016 to 8.06% in Fiscal 2017.

(a) Salaries, Wages and Bonus- The expense on Salaries, Wages and Bonus was ₹ 1266.44 Lacs for the Fiscal 2017 as against ₹ 1210.67 Lacs in Fiscal 2016 which indicates an increase of 4.60% primarily on account normal revision in salaries and increased sales.

(b) Contributions to PF, Gratuity and other contributions- There was a marginal increase of 1.1% in contributions to PF, Gratuity and other contributions in Fiscal 2017 from ₹ 49.24 Lacs in Fiscal 2016 to ₹ 49.79 Lacs for the Fiscal 2017.

(c) Staff welfare expenses / other benefits- Expenditure towards staff welfare expenses/other benefits reduced by 16.35% to ₹ 37.50 Lacs for the Fiscal 2017 as against ₹ 44.83 Lacs in Fiscal 2016.

(d) Staff incentives- There was a decrease of 66.14% in staff incentives in Fiscal 2017 which amounted to ₹ 19.87 Lacs for the Fiscal 2017 as against ₹ 58.69 Lacs in Fiscal 2016, basically due to realigning of the staff incentives schemes

Other expenses

Other expenses decreased by 18.78% from ₹ 8253.15 Lacs in Fiscal 2016 to ₹ 6703.43 Lacs for Fiscal 2017. This decrease in other expenses was primarily on account of decrease in seed conditioning expenses, selling expenses, research and development expenses and further due to reduction in discount offered by the Company:

(a) Seed conditioning expenses: Our seed conditioning expenses decreased by 11.53% from ₹ 1212.23 Lacs in Fiscal 2016 to ₹ 1072.52 Lacs for the Fiscal 2017 which was primarily on account of decrease in processing expenses from ₹ 150.11 Lacs in Fiscal 2016 to ₹ 109.65 Lacs in Fiscal 2017 and decrease in expenses towards storing and processing material consumed from ₹ 716.88 Lacs in Fiscal 2016 to ₹ 673.74 Lacs in Fiscal 2017, decrease in expenses towards freight inward and hamali and cartages charges from ₹ 100.08 Lacs in Fiscal 2016 to ₹ 74.43 Lacs in Fiscal 2017 and decrease in hamali expenses in processing plant from ₹ 120.46 Lacs in Fiscal 2016 to ₹ 66.82 Lacs in Fiscal 2017 primarily due to reduced production requirement, resulting in use of existing inventory.

(b) Selling Expenses: Our selling expenses decreased by 26.56% from ₹ 1545.23 Lacs in Fiscal 2016 to ₹ 1134.74 Lacs for the Fiscal 2017 primarily due to better logistic & freight management. The decrease was primarily on account of decrease in freight onward from ₹ 835.53 Lacs in Fiscal 2016 to ₹ 440.48 Lacs in Fiscal 2017, marginal increase in travelling and conveyance expenses from ₹ 212.23 Lacs in Fiscal 2016 to ₹ 217.60 Lacs in Fiscal 2017, insignificant increase in advertisement and sale promotion from ₹ 178.30 Lacs in Fiscal 2016 to ₹ 181.16 Lacs in Fiscal 2017 and increased other selling expenses from ₹ 172.79 lacs in Fiscal 2016 to 195.19 lacs in Fiscal 2017.

(c) Discount, scheme and incentives: Our expenses towards discount and scheme offered by our Company decreased by 20.55% from ₹ 3488.00 Lacs in Fiscal 2016 to ₹ 2771.37 Lacs for the Fiscal 2017 which was primarily on account of decrease in expenses incurred in additional discount from ₹ 2036.42 Lacs in Fiscal 2016 to ₹ 1196.52 Lacs in Fiscal 2017. However there was an increase in the quantity discount from ₹ 1217.00 Lacs in Fiscal 2016 to ₹ 1333.02 Lacs in Fiscal 2017 and marginal increase in expenses incurred in cash discount from ₹ 234.88 Lacs in Fiscal 2016 to ₹ 241.83 Lacs in Fiscal 2017.

(d) Research and development expenses: Our research and development expenses decreased by 21.97% from ₹ 1111.70 Lacs in Fiscal 2016 to ₹ 867.44 Lacs for the Fiscal 2017 which was primarily on account of decrease in field work expenses from ₹ 512.90 Lacs in Fiscal 2016 to ₹ 365.61 Lacs in Fiscal 2017, decrease in expenses incurred salary and wages from ₹ 485.83 Lacs in Fiscal 2016 to ₹ 376.22 Lacs in Fiscal 2017 and increase in farming expenses from ₹ 66.30 Lacs in Fiscal 2016 to ₹ 70.41 Lacs in Fiscal 2017

Depreciation and amortization expenses

Depreciation and amortization expenses decreased by 22.39% from ₹ 390.48 Lacs for Fiscal 2016 to ₹ 303.04 Lacs for Fiscal 2017. The decrease in depreciation and amortization expenses was primarily on account of WDV accounting.

Finance cost

Finance cost increased by 54.99% from ₹ 623.09 Lacs for Fiscal 2016 to ₹ 965.71 Lacs for Fiscal 2017. This increase in finance cost expenses was primarily due to increase in our borrowing which increased the Interest expense paid to banks during Fiscal 2017 to ₹ 965.71 Lacs from ₹ 623.09 Lacs for Fiscal 2016.

Total Expenses

Total expenditure marginally increased by 3.96% from ₹ 14771.79 Lacs in Fiscal 2016 to ₹ 15356.19 Lacs in Fiscal 2017. The increase is primarily attributable to increased sales. Total Expenses as a percentage of Total Revenues was 90.13% in Fiscal 2017 as against 90.73% in Fiscal 2016.

Profit before tax

Our profit before tax increased by 11.44% from ₹ 1509.62 Lacs in Fiscal 2016 to ₹ 1682.28 Lacs in Fiscal 2017 mainly on account of factors mentioned above.

Tax Expense

Tax expense decreased to ₹ 47.10 Lacs for Fiscal 2017 as against ₹ 91.00 Lacs for Fiscal 2016, due to increased agriculture income.

Profit after tax

Our profit after tax increased by 14.93% from ₹ 1416.75 Lacs in Fiscal 2016 to ₹ 1628.25 Lacs in Fiscal 2017. There has been an improvement in our profit after tax margins from 8.7% in Fiscal 2016 to 9.56% in Fiscal 2017 mainly on account of increased sales of seeds.

Financial Year 2016 compared with Financial Year 2015

Revenue

Revenue from operations

Revenue from operations decreased by 12.53% from ₹ 18532.70 Lacs for the Fiscal 2015 to ₹ 16210.59 Lacs in Fiscal 2016. This decrease in revenue from operations was primarily due to 44.48% decrease in our sale of agricultural products. Sale of commercial seeds and remnant decrease from ₹ 15728.70 Lacs for the Fiscal 2015 to ₹ 14648.58 Lacs in Fiscal 2016, which was mainly due to bad monsoon

Further, there was also a decrease in the sale of foundation seeds by 33.57% from ₹ 48.67 Lacs for the Fiscal 2015 to ₹ 32.33 Lacs in Fiscal 2016

Revenue from trading of agricultural products such as win chi win, coriander etc contributed 9.44% of our revenue from operation in Fiscal 2016 as against 14.87 % in Fiscal 2015. Further, there was a decrease in the revenue from trading of agricultural products by 44.48% from ₹ 2755.33 Lacs for the Fiscal 2015 to ₹ 1529.68 Lacs in Fiscal 2016 mainly on account of reduced sales due to bad monsoon.

Other Income

Other income increased by 21.59% from ₹ 58.51 Lacs for the Fiscal 2015 to ₹ 70.82 Lacs for the Fiscal 2016, primarily on account of:

a. increase in interest income from ₹ 0.89 Lacs for Fiscal 2015 to ₹ 5.99 Lacs in Fiscal 2016, being interest received on loans;

b. increase in excess provisioning written back by from ₹ 0.24 Lacs for Fiscal 2015 to ₹ 26.85 Lacs in Fiscal 2016, on account of accounting;

c. decrease in insurance claim received from ₹ 10.84 lacs for Fiscal 2015 to ₹ 3.67 Lacs in Fiscal 2016, on account of less claims made; and

d. increase in other income such as government incentives, scrap sale etc. by 3.12% from ₹ 46.27 Lacs for Fiscal 2015 to ₹ 47.75 Lacs in Fiscal 2016 which was due to operations.

Other income as a percentage of Total Revenue increased from 0.31% for Fiscal 2015 to 0.43% for Fiscal 2016.

Total Revenue

Total Revenue decreased by 12.42% from ₹ 18591.21 Lacs for the Fiscal 2015 to ₹ 16281.41 Lacs for Fiscal 2016, primarily due to decrease in Revenue from Operations as explained above.

Expenses

Cost of Production

(a) Cost of raw material and production expenses decreased by 8.16% from ₹ 6693.68 Lacs for the Fiscal 2015 to ₹ 6147.62 Lacs for the Fiscal 2016, primarily due to reduced production of material since the existing inventory was being used.

(b) Our inventories of finished goods, work-in-progress marginally increased to ₹ (2442.00) Lacs for Fiscal 2016 as against an increase in inventories of ₹ (2974.98) Lacs for Fiscal 2015.

(c) The overall cost of material consumes marginally increased by 1.58% to ₹ 4141.62 lacs in fiscal 2016 from ₹ 4077.28 lacs in fiscal 2015 basically due to product mix.

Employee benefits expenses

Employee benefits expenses decreased by 13.04% from ₹ 1567.98 Lacs in Fiscal 2015 to ₹ 1373.61 Lacs in Fiscal 2016. This decrease was primarily due to restructuring of employees in the company. Employee benefits expenses as a percentage of Total Revenue reduced to 8.37% in Fiscal 2016 from 8.43% in Fiscal 2015.

(a) Salaries, Wages and Bonus- The expense on Salaries, Wages and Bonus was ₹ 1210.67 Lacs for the Fiscal 2016 as against ₹ 1275.44 Lacs in Fiscal 2015 which indicates a decrease of 5.08% primarily on account of restructuring of employees in the company.

(b) Contributions to PF, Gratuity and other contributions- There was a marginal increase of 0.74% in contributions to PF, Gratuity and other contributions from ₹ 48.90 Lacs in Fiscal 2015 to ₹ 49.26 Lacs for the Fiscal 2016.

(c) Staff welfare expenses / Other benefits- Expenditure towards staff welfare expenses/other benefits reduced by 35.42% to ₹ 44.83 Lacs for the Fiscal 2016 as against ₹ 69.42 Lacs in Fiscal 2015.

(d) Staff incentives- There was a decrease of 66.31% in staff incentives in Fiscal 2016 which amounted to ₹ 58.69 Lacs for the Fiscal 2016 as against ₹ 174.21 Lacs in Fiscal 2015.

Other expenses

Other expenses decreased by 12.38% from ₹ 9419.20 Lacs in Fiscal 2015 to ₹ 8253.15 Lacs for Fiscal 2016. This decrease in other expenses was primarily on account of decrease in seed conditioning expenses, selling expenses, research and development expenses and due to reduction in discounts offered by the Company:

(a) Seed conditioning expenses: Our seed conditioning expenses decreased by 30.59% from ₹ 1746.36 Lacs in Fiscal 2015 to ₹ 1212.23 Lacs for the Fiscal 2016 which was primarily on account of decrease in hamali expenses used in processing plant from ₹ 173.50 Lacs in Fiscal 2015 to ₹ 120.46 Lacs in Fiscal 2016, decrease in expenses towards storing and processing material consumed from ₹ 1156.83 Lacs in Fiscal 2015 to ₹ 716.88 Lacs in Fiscal 2016, decrease in expenses towards freight inward and hamali and cartages charges from ₹ 158.81 Lacs in Fiscal 2015 to ₹ 100.08 Lacs in Fiscal 2016 primarily due to restructuring of processing activities

(b) Administrative Expenses: Our administrative expenses marginally increased by 9.12% from ₹ 820.90 Lacs in Fiscal 2015 to ₹ 896.90 Lacs for the Fiscal 2016 which was primarily on account of increase in rent and taxes from ₹ 150.80 Lacs in Fiscal 2015 to ₹ 186.58 Lacs in Fiscal 2016, increase in legal and professional expenses from ₹ 98.58 Lacs in Fiscal 2015 to ₹ 169.69 Lacs in Fiscal 2016, increase in miscellaneous expenses from ₹ 53.82 Lacs in Fiscal 2015 to ₹ 102.36 Lacs in Fiscal 2016 and primarily due to operations.

(c) Selling Expenses: Our selling expenses increased by 7.06% from ₹ 1437.25 Lacs in Fiscal 2015 to ₹ 1545.23 Lacs for the Fiscal 2016 which was primarily on account of marginal increase in freight onward expenses from ₹ 832.62 Lacs in Fiscal 2015 to ₹ 835.53 Lacs in Fiscal 2016, insignificant decrease in travelling and conveyance expenses from ₹ 213.33 Lacs in Fiscal 2015 to ₹ 212.23 Lacs in Fiscal 2016, increase in advertisement and sale promotion expenses from ₹ 222.35 Lacs in Fiscal 2015 to ₹ 178.30 Lacs in Fiscal 2016 and increased other selling expenses from ₹ 154.84 lacs in Fiscal 2015 to 172.79 lacs in Fiscal 2016 primarily due to increase in marketing network activities.

(d) Discount, scheme and incentives: Our expenses towards discount and scheme offered by our Company decreased by 16.79% from ₹ 4191.75 Lacs in Fiscal 2015 to ₹ 3488.00 Lacs for the Fiscal 2016 which was primarily on account of decrease in quantity discount from ₹ 1488.26 Lacs in Fiscal 2015 to ₹ 1217.00 Lacs in Fiscal 2016, decrease in expenses incurred in additional discount from ₹ 2449.88 Lacs in Fiscal 2015 to ₹ 2036.42 Lacs in Fiscal 2016 and marginal decrease in expenses incurred in cash discount from ₹ 253.61 Lacs in Fiscal 2015 to ₹ 234.88 Lacs in Fiscal 2016.

(e) Research and development expenses: Our research and development expenses decreased by 8.61% from ₹ 1222.94 Lacs in Fiscal 2015 to ₹ 1111.70 Lacs for the Fiscal 2016 which was primarily on account of decrease in field work expenses from ₹ 540.55 Lacs in Fiscal 2015 to ₹ 512.90 Lacs in Fiscal 2016, decrease in expenses incurred salary and wages from ₹ 515.10 Lacs in Fiscal 2015 to ₹ 485.83 Lacs in Fiscal 2016 and decreased in farming expenses from ₹ 95.07 Lacs in Fiscal 2015 to ₹ 66.30 Lacs in Fiscal 2016.

Depreciation and amortization expenses

Depreciation and amortization expenses decreased by 10.99% from ₹ 438.71 Lacs for Fiscal 2015 to ₹ 390.48 Lacs for Fiscal 2016. The decrease in depreciation and amortization expenses was primarily on account of reduced amortization cost.

Finance cost

Finance cost increased by 35.69% from ₹ 459.20 Lacs for Fiscal 2015 to ₹ 623.09 Lacs for Fiscal 2016. This increase in finance cost expenses was primarily due to increase in our borrowing which increased the Interest expense paid to banks during Fiscal 2016 to ₹ 623.09 Lacs from ₹ 459.20 Lacs for Fiscal 2015.

Total Expenses

Total expenditure decreased by 7.46% from ₹ 15962.37 Lacs in Fiscal 2015 to ₹ 14771.79 Lacs in Fiscal 2016. The decrease is primarily attributable to control of expense. Total Expenses as a percentage of Total Revenues increased to 90.73% in Fiscal 2016 as against 85.86% in Fiscal 2015.

Profit before tax

Our profit before tax decreased by 42.57% from ₹ 2628.83 Lacs in Fiscal 2015 to ₹ 1509.62 Lacs in Fiscal 2016 mainly on account of factors mentioned above.

Tax Expense

Tax expense decreased to ₹ 91.00 Lacs for Fiscal 2016 as against ₹ 95.54 Lacs for Fiscal 2015, due to agriculture income.

Profit after tax

Our profit after tax decreased by 44.22% from ₹ 2539.75 Lacs in Fiscal 2015 to ₹ 1416.75 Lacs in Fiscal 2016. There has also been a decrease in our profit after tax margins from 13.66% in Fiscal 2015 to 8.69% in Fiscal 2016 mainly on account of decrease in sales of seeds.

CASH FLOW

Our cash is generated by sales of our products that is used to fund investments and service loans and interest towards borrowings. The table below summarizes our cash flows for the Financial Years 2017, 2016 and 2015:

(₹ in Lacs)

	Fiscal 2017	Fiscal 2016	Fiscal 2015
	₹ in lacs	₹ in lacs	₹ in lacs
Net Profit before Tax & Extra Ordinary items	1,675.34	1,507.75	2,635.29
Operating Profit before working capital changes	2,953.84	2,529.87	3,585.73
Cash Generated from operation before Tax & Extra-Ordinary item	334.48	(1,361.41)	680.01
Net Cash Flow from Operating Activities - (A)	334.35	(1,362.53)	675.55
Net Cash Flow from Investing Activities - (B)	(405.16)	(1,704.60)	(202.90)
Net Cash Flow From Financing Activities - (C)	533.06	3,032.36	(536.79)
Net increase/Decrease in cash & cash equivalent (A+B+C)	462.25	(34.77)	(64.14)
Opening Cash and Cash Equivalent	122.45	157.21	221.35
Closing Cash and Cash Equivalent	584.70	122.45	157.21

Cash flow from/(used in) operating activities

Net cash from operating activities includes funds generated from our operating activities and net cash inflows or outflows from changes in operating assets and liabilities

Cash generated from operating activities for Fiscal 2017 was ₹ 334.35 Lacs while our net profit before taxation was ₹ 1,675.34 Lacs. We had an operating profit before working capital changes of ₹ 2,953.84 Lacs. The difference in net profit before taxation and operating profit before working capital changes was primarily on account of positive adjustments made for depreciation on fixed assets of ₹ 303.04 Lacs and finance costs of ₹ 965.71 Lakhs. Further, operating profit before working capital changes were adjusted for certain changes in working capital and provisions such as increase in trade receivables of ₹ 652.49 Lacs, decrease in inventories of ₹ 1,058.89 Lacs, increase in other loans and advances of ₹ 2,099.52 Lacs, decrease in trade payables of ₹ 359.86 Lacs and decrease in other current liabilities and provisions of ₹ 557.19 Lacs.

Cash used in operating activities for Fiscal 2016 was ₹ 1,362.53 Lakhs while our net profit before taxation was ₹ 1,507.75 Lacs. We had an operating profit before working capital changes of ₹ 2,529.87 Lacs. The difference in net profit before taxation and operating profit before working capital changes was primarily on account of positive adjustments made for depreciation on fixed assets of ₹ 390.48 Lacs, finance costs of ₹ 623.09 Lacs. Operating profit before working capital changes were adjusted for certain changes in working capital and provisions such as an increase in trade receivables of ₹ 60.23 Lacs, increase in inventories of ₹ 2,370.49 Lacs, increase in other loans and advances of ₹ 505.73 Lacs, decrease in trade payables of ₹ 360.72 Lacs and decrease in other current liabilities and provisions of ₹ 725.24 Lacs.

We had positive cash generated from operating activities for Fiscal 2015 of ₹ 675.55 Lacs while our net profit before taxation was ₹ 2,635.29 Lacs. We had an operating profit before working capital changes of ₹ 3,585.73 Lacs. The difference in net profit before taxation and operating profit before working capital changes was primarily on account of positive adjustments made for depreciation on fixed assets of ₹ 438.71 Lacs, finance costs of ₹ 459.20. Our working capital adjustments to operating profit before working capital changes primarily included an increase in trade receivables of ₹ 983.08 Lacs, increase in inventories of ₹ 2,846.65 Lacs, increase in other loans and advances of ₹ 94.86 Lacs, decrease in trade payables of ₹ 1,229.47 Lacs and decrease in other current liabilities and provisions of ₹ 210.59 Lacs.

Cash flow from/(used in) investing activities

Net cash used in investing activities was ₹ 405.16 Lacs for Fiscal 2017, consisting of cash outflow towards purchase of fixed assets of ₹ 412.59 Lacs and cash inflow from sale of fixed assets ₹ 7.11 Lacs.

Net cash used in investing activities was ₹ 1704.60 Lacs for Fiscal 2016, consisting of cash outflow towards purchase of fixed assets of ₹ 705.88 Lacs and cash outflow from capital advance given of ₹ 1009.51 Lacs and sale of fixed assets of ₹ 4.82 lacs.

Net cash used in investing activities was ₹ 202.90 Lacs for Fiscal 2015, consisting of cash outflow towards purchase of fixed assets of ₹ 70.61 Lacs and cash outflow towards capital advances of ₹ 135.38 Lacs and from cash inflow from sale of fixed assets of ₹ 2.23 Lacs.

Cash flow from /(used in) financing activities

Net cash inflow from financing activities was ₹ 533.06 Lacs for Fiscal 2017 as a result of net proceeds from interest paid/ financial charges of ₹ 965.71 lacs, fresh borrowing of long term secured borrowings of ₹ 500.00 Lacs, increase in short term secured loan of ₹ 810.01 Lacs and increase in short term unsecured loan of ₹ 182.57.

Net cash inflow from financing activities was ₹ 3,032.36 Lacs for Fiscal 2016 as a result of net proceeds from interest paid/ financial charges of ₹ 623.09 lacs, fresh borrowing of long term secured borrowings of ₹ 1,500.00 Lacs, increase in short term secured loan of ₹ 2,227.77 Lacs.

Net cash inflow used in financing activities was ₹ 536.79 Lacs for Fiscal 2015 as a result of net proceeds from interest paid/ financial charges of ₹ 459.20 lacs, repayment of long term secured loan of ₹ 61.12 lacs, increase in short term secured loan of ₹ 42.84 Lacs and repayment of short term unsecured loan of ₹ 54.97.

Indebtedness

The total indebtedness as on March 31, 2017 and September 30, 2017, are set as follows:

Contractual Obligations

The following table sets forth a summary of the maturity profile for our Company's outstanding long-term debt obligations including current maturity and short-term and long-term debt as of the periods indicated:

(₹ in lac)

Particulars	Outstanding as of March 31, 2017	Outstanding as of September 30, 2017
Short Term borrowing (A):		
Secured	4269.17	4917.38
Unsecured	591.71	517.33

Long Term borrowings including current maturities (B):		
Secured	2517.55	2,288.94
Unsecured	0	0
Total borrowing (A)+(B)=(C)	7378.43	7,723.65

Interest coverage ratio

The interest coverage ratio for Fiscal 2017, Fiscal 2016 and Fiscal 2015 were as follows:

(₹ in Lacs)

Particulars	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Profit before tax	1682.28	1509.62	2628.83
Interest Expense*	965.71	623.09	459.20
Interest Coverage Ratio**	3.06	4.05	7.68

** Interest paid to Banks and Bank charges and commissions as per Profit & Loss Statement is considered Interest Expense and used for calculation of Interest Coverage Ratio.*

*** Interest Coverage Ratio = Profit before tax for the year plus Interest Expense* plus depreciation and amortization divided by Interest Expense**

Contingent Liabilities and Capital Commitments

(₹ in Lac)

Particulars	**As at March 31, 2017**
A. Contingent Liabilities	
Claims against the Company not acknowledged as debts in respect of legal cases including consumer cases.	137.29
Corporate Guarantee given in favour of ICICI Bank towards crop loan taken by the seed growers of the Company	3000.00
Corporate Guarantee given in favour of IDBI Bank towards loan taken by Paithan Mega Food Parks Limited	2000.00
B. Capital and Other Commitments	
Capital commitment for land purchase	-

Except as disclosed above, there are no other off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Summary of reservations or qualification or adverse remarks in the auditors' report in the last five Financial Years immediately preceding the year of filing this Placement Document and their impact on the financial statements and financial position of our Company, the correct steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remark

There are no reservations or qualifications or adverse remarks in the auditors' report in the last five Financial Years immediately preceding the year of filing this Placement Document.

Change in Accounting Policies during the last three years and their effect on the profits and the reserves of our Company

There have been no changes in the accounting policies during the last three financial years of our Company ending March 31, 2017, 2016 and 2015.

Quantitative and Qualitative Disclosure of Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity price risks in relation to our raw materials. We are exposed to various types of market risks, in the normal course of business.

Commodity price risk: We are exposed to fluctuations in prices of commodities as demand for our seed products can vary with related commodity prices. For example, if demand for a particular commodity is low, then there may not be demand for seed for such products. As a result, commodity price movements generally have a direct bearing on demand for our products, which will affect revenue for our products.

Interest Rate Risk: Exposure to interest rate risk relates primarily to long-term debt and working capital loans. Currently we do not have any substantial long term borrowings. However we may borrow additional funds in future. Therefore, fluctuations in interest rates could have the effect of increasing the interest due on our Company‘s such debt and increases in such rates could make it more difficult for the Company to procure new debt on attractive terms.

Inflation: Inflationary factors such as increases in the cost of our seeds and overhead costs may adversely affect our operating results. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, a high rate of inflation in the future may have an adverse effect on our ability to maintain current margins if the selling prices of our products do not increase with these increased costs.

Liquidity Risk: Our Company faces the risk of not generating sufficient cash flows to meet its operating requirements and its financing obligations when they become due. Our Company manages its liquidity profile through the efficient management of existing funds and planning for future funding requirements. Going forward, and to the extent we are able to do so, our Company intends to primarily use cash flows from its business operations and proceeds from the equity offerings, to meet its financing requirements.

Seasonality: Our business and production as well as the demand for our products may be affected by seasonal factors such as weather conditions, irrigation facilities, availability of credit to farmers and overall agricultural production. Consequently, the results of one reporting period may not be necessarily comparable with the preceding, succeeding or corresponding reporting periods. Our revenues recorded during planting and harvesting seasons are typically lower as compared to revenues recorded during the period preceding the crop seasons.

Competitive conditions: We operate in a highly competitive market. Our competitors may *inter alia*, have wider distribution tie-ups, larger product portfolio, technology, research and development capability and greater market penetration, and we are subject to the risk of not being able to compete effectively. For more information, see the sections titled "*Our Business"* and "*Risk Factors*" at page 105 and 36, respectively, of this Placement Document.

REVIEW OF FINANCIAL RESULTS

Results for the six months period ended September 30, 2017 compared to the results for the six months period ended September 30, 2016

The following table sets forth certain information with respect to our revenues, expenses and profits, also expressed as a percentage of our total revenue, for six months ended September 30, 2017 and six months ended September 30, 2016 as derived from our Unaudited Interim Financial Statements:

(₹ in lac)

Particulars	Six month ended on September 30, 2017	% of Total Revenue	Six month ended on September 30, 2016	% of Total Revenue
a) Net Sales / Income from operation	11588.79	99.91%	10078.29	99.73%
b) Other Operating Income	9.88	0.09%	27.11	0.27%
Total Income from Operations	**11598.67**	100.00%	**10105.40**	100%
Expenses				
a) Cost of Material Consumed	1858.99	16.03%	3392.24	33.57%
b) Purchase of Stock in Trade	18.43	0.16%	0.00	0.00%
c) Changes in Inventory	3758.18	32.40%	977.60	9.67%
d) Employee benefit expenses	766.27	6.61%	831.72	8.23%
e) Finance Cost	552.72	4.77%	409.59	4.05%
f) Depreciation & Amortization	50.00	0.43%	175.34	1.74%
g) Selling & Distribution Expenses	1831.14	15.79%	2304.60	22.81%

h) Other Expenditure	370.99	3.20%	284.91	0.03
Total Expenses	**9206.72**	79.38%	**8376.00**	82.89%
Profit / (Loss) before Exceptional items & Tax (I-II)	**2391.95**	20.62%	**1729.40**	17.11%
Exceptional items Income/(Expenses)	(13.86)	-0.12%	0.08	0.00%
Profit/(Loss) before Tax (III-IV)	**2405.81**	20.74%	**1729.32**	176.89%
Tax Expense	32.67	0.28%	0.00	0.00%
Net Profit/ (Loss) for the period (V-VI)	**2373.14**	20.46%	**1729.32**	986.27%
Other Comprehensive Income(Items that will not be classified to Profit & Loss)	0.00		0.00	0.00%
Total Comprehensive Income for the period(VII+VIII)	**2373.14**	**20.46%**	**1729.32**	**20.65%**

Revenue

Net sales/ Revenue from operations

Revenue from operations increased by 14.99% from ₹ 10078.29 Lacs for the six month period ended September 2016 to ₹ 11588.79 Lacs in six month period ended September 2017. This increase in revenue from operations was primarily driven by product demand augmented by strategic marketing. The increase in sales is basically due to sale of commercial seeds only as the trading of agriculture products is not a major component in first half of the fiscal.

Other Operating Income

Other income decreased by 63.56%% from ₹ 27.11 Lacs for the six month period ended September 30, 2016 to ₹ 9.88 Lacs for the six month period ended September 30, 2017, primarily on account of scrap sale that would be booked in second half of the year.

Other income as a percentage of Total Revenue increased from 0.27% for six month period ended September 30, 2017 to 0.09% for six month period ended September 30, 2016.

Total Revenue

Total Revenue increased by 14.78% from ₹ 10105.40 Lacs for the six month period ended September 30, 2016 to ₹ 11598.67 Lacs for six month period ended September 30, 2017, primarily due to decrease in Revenue from Operations as explained above.

Expenses

Cost of Production

(a) Cost of raw material and production expenses decreased by 45.20% from ₹ 3392.24 Lacs for the six month period ended September 30, 2016 to ₹ 1858.99 Lacs the six month period ended September 30, 2017, primarily due to the inventory procured in fiscal 2017 which is used in kharif 2018.

(b) Our consumption of inventories of finished goods, work-in-progress increased to ₹ 3758.18 Lacs for the six month period ended September 30, 2017 as against an increase in inventories of ₹ 977.60 Lacs for the six month period ended September 30, 2016.

(c) Accordingly the cost of material consumes increased by 22.79% to ₹ 5635.60 lacs in September 2017 to from ₹ 4369.84 lacs in September 2016.

Employee benefits expenses

Employee benefits expenses decreased by 7.87% from ₹ 831.72 Lacs in the six month period ended September 30, 2016 to ₹ 766.27 Lacs in the six month period ended September 30, 2017. This decrease was primarily due to restructuring of employees. Employee benefits expenses as a percentage of Total Revenue reduced from 8.23% in the six month period ended September 30, 2016 to 6.61% in the six month period ended September 30, 2017.

(a) Salaries, Wages and Bonus- The expense on Salaries, Wages and Bonus was ₹ 769.28 Lacs for the six month period ended September 30, 2017 as against ₹ 716.23 Lacs in the six month period ended September 30, 2016 which indicates a decrease of 6.9% primarily on account of restructuring of employees.

(b) Contributions to PF, Gratuity and other contributions- Expenditure towards PF, Gratuity and other contributions were increased by 28.98% from ₹ 22.22 lacs for the six month period ended September 30, 2016 to ₹ 28.66 Lacs in the six month period ended September 30, 2017, primarily on account of restructuring of employees .

(c) Staff welfare expenses / Other benefits- Expenditure towards staff welfare expenses/other benefits were decreased by 46.87% from ₹ 40.22 lacs for the six month period ended September 30, 2016 to ₹ 21.37 Lacs in the six month period ended September 30, 2017, primarily on account of restructuring of employees.

Selling and distributing expenses

Selling and distributing expenses decreased by 20.54% from ₹ 2304.60 Lacs in the six month period ended September 30, 2016 to ₹ 1831.14 Lacs in the six month period ended September 30, 2017. This decrease was primarily due to enhanced market strategies

Other expenses

Other expenses increased by 30.21% from ₹ 284.91 Lacs in the six month period ended September 30, 2016 to ₹ 370.99 Lacs for the six month period ended September 30, 2017. This decrease in other expenses was primarily on account of operational reasons:

(a) Administrative Expenses: Our administrative expenses increased marginally by 1.19% from ₹ 59.79 Lacs in the six month period ended September 30, 2016 to ₹ 60.50 Lacs for the six month period ended September 30, 2017
(b) Research and development expenses: Our research and development expenses increased/ by 37.92% from ₹ 225.12 Lacs in the six month period ended September 30, 2016 to ₹ 310.49 Lacs for the six month period ended September 30, 2017 which was primarily on account of increase in R&D activities and field expenses.

Depreciation and amortization expenses

Depreciation and amortization expenses decreased by 71.48% from ₹ 175.34 Lacs for the six month period ended September 30, 2016 to ₹ 50.00 Lacs for the six month period ended September 30, 2017. The decrease in depreciation and amortization expenses was primarily on account of no further amortization required from fiscal 2018 onwards.

Finance cost

Finance cost increased by 34.94% from ₹ 409.59 Lacs for the six month period ended September 30, 2016 to ₹ 552.72 Lacs for the six month period ended September 30, 2017. This increase in finance cost expenses was primarily due to increase in our borrowing which increased the Interest expense paid to banks during the six month period ended September 30, 2017.

Total Expenses

Total expenditure increased by 9.02% from ₹ 8376.00 Lacs in six month period ended September 30, 2016 to ₹ 9206.72 Lacs in six month period ended September 30, 2017. This increase is primarily attributable to operational reasons Total Expenses as a percentage of Total Revenues improved to 79.83% in six month period ended September 30, 2017 as against 82.89% in six month period ended September 30, 2016.

Profit before tax

Our profit before tax increased by 38.31% from ₹ 1729.40 Lacs in six month period ended September 30, 2016 to ₹ 2391.95 Lacs in six month period ended September 30, 2017 mainly on account of factors mentioned above.

Profit after tax

Our profit after tax increased by 37.23% from ₹ 1729.32 Lacs in six month period ended September 30, 2016 to ₹ 2373.14 Lacs in six month period ended September 30, 2017. There has been an improvement in our profit after tax margins by 21.22 % to 20.74% in six month period ended September 30, 2017 from 17.11% in six month period ended September 30, 2016 mainly on account of increased sales of seeds.

Recent Developments

Except as stated in this Placement Document, to our knowledge no circumstances have arisen since the date of the last financial statements as disclosed in this Placement Document which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

Related Party Transactions

For information on related party transactions, see the section "*Financial Statements*" beginning on page F-1.

SUMMARY OF KEY DIFFERENCES BETWEEN INDIAN GAAP AND IND - AS

The financial information included herein is prepared and presented in accordance with Indian GAAP and Ind – AS. Certain differences exist between Indian GAAP and Ind – AS which might be material to the financial information herein and are summarized below. Our Company is responsible for preparing the Summary below. Our Company has not prepared a complete reconciliation of its financial statements and related footnote disclosures between Indian GAAP and Ind-AS and has not quantified such differences. Accordingly, no assurance is provided that the following summary of differences between Indian GAAP and Ind-AS is complete. In making an investment decision, investors must rely upon their own examination of our Company, the terms of the offering and the financial information. Potential investors should consult their own professional advisors for an understanding of the differences between Indian GAAP and Ind-AS, and how those differences might affect the financial information herein.

Sr. No.	Particulars	Indian GAAP	Ind-AS
1.	Presentation of Financial Statements	**Statement of Change in Equity**: Under Indian GAAP, a statement of changes in equity is not required. Movements in share capital, retained earnings and other reserves are presented in the Schedules to Financial Statements.	**Statement of Change in Equity:** Ind AS-1 requires the presentation of a statement of changes in equity showing: a) Transactions with owners in their capacity as owners, showing separately contributions by and distributions to equity holders. b) The total comprehensive income for the period. Amounts attributable to owners of the parent and non-controlling interests are to be shown separately. c) Effects of retrospective application or restatement on each component of equity. d) For each component of equity, a reconciliation between the opening and closing balances separately disclosing each change.
		Other Comprehensive Income: There is no concept of 'Other Comprehensive Income' under Indian GAAP.	**Other Comprehensive Income:** Ind AS 1 introduces the concept of Other Comprehensive Income ("OCI"). Items of income and expenses that are not recognized in profit and loss as required or permitted by other Ind ASs are presented under OCI.
		Other disclosures: There are no specific disclosure requirements under Indian GAAP for : (a) Critical judgments made by the management in applying accounting policies;	**Other disclosures:** Ind AS-1 requires disclosure of: (a) Critical judgments made by the management in applying accounting policies; (b) Key sources of estimation uncertainty that have a significant risk

Sr. No.	Particulars	Indian GAAP	Ind-AS
		(b) Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period; and (c) Information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capita	of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period; and (c) Information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital.
		Extraordinary items: Under Indian GAAP, extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.	**Extraordinary items:** Under Ind AS, presentation of any items of income or expense as extraordinary is prohibited.
		Change in Accounting Policies: Indian GAAP requires changes in accounting policies should be presented in the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material. If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same should be appropriately disclosed.	**Change in Accounting Policies:** Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.
		Dividends: Under Indian GAAP, declaration of dividend is an adjusting event and dividend proposed after the balance sheet date but before approval of the financial statements will have to be recorded as a provision	**Dividends:** Ind AS requires liability for dividends declared to holders of equity instruments are recognized in the period in which it is declared. It is a non-adjusting event
		Errors: Under Indian GAAP**,** prior period errors are included in determination of profit or loss for the period in which the error is discovered and are separately disclosed in the statement of profit and loss in a manner that the impact on current profit or loss can be perceived.	**Errors:** As per Ind AS 8 material prior period errors shall be corrected retrospectively in the first set of financial statements either by restating the comparative amounts for the prior period(s) presented in which the error occurred or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity.

Sr. No.	Particulars	Indian GAAP	Ind-AS
2	Cash Flow statements	1. Company overdrafts are considered as financing activities. 2. Cash flows from items disclosed as extraordinary are classified as arising from operating, investing or financing activities as appropriate, and separately disclosed.	1. As on IND AS 7, it should be included as cash and cash equivalents if they form an integral part of an entity's cash management. 3. As presentation of items as extraordinary is not permitted, the cash flow statement does not reflect any items of cash flow as extraordinary.
3	Deferred Taxes	Under Indian GAAP, the Company determines deferred tax to be recognized in the financial statements with reference to the income statement approach i.e. with reference to the timing differences between profit offered for income taxes and profit as per the financial statements.	As per Ind AS 12 *Income Taxes,* deferred tax is determined with reference to the balance sheet approach i.e. based on the differences between carrying value of the assets/ liabilities and their respective tax base. Using the balance sheet approach, there could be additional deferred tax charge/income on account of: i. All Ind AS opening balance sheet adjustments ii. Actuarial gain and losses accounted in OCI. iii. Indexation of freehold land iv. Fair valuation adjustments (employee loans, security deposits etc.)
4	Property, plant and equipment — reviewing depreciation and residual value	Under Indian GAAP, the Company currently provides depreciation on straight line method and on other assets depreciation under WDV method, based on the useful life prescribed in Schedule II to the Companies Act, 2013. or as estimated by the Management based on technical evaluation	Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value shall be taken prospectively. Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to be carried forward as the cost under Ind AS.
5.	Property, plant and equipment-Provision for site restoration expenses	Currenly, under Indian GAAP, the company does not have recognises provision for Site restoration expenses	Under Ind AS 16, the cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Sr. No.	Particulars	Indian GAAP	Ind-AS
6.	Leases	**Leasehold Land:** Leasehold land is recorded and classified as fixed assets and is excluded from lease standard.	**Leasehold Land:** Land lease is classified as operating or finance as per the criteria under Ind AS 17. When a lease includes both land and building elements, an entity assesses the classification of each element as a finance or operating lease separately.
		Operating Lease Rentals: Under Indian GAAP, lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term, unless another systematic basis is more representative of the time pattern of the users benefit.	**Operating Lease Rentals:** Under Ind AS 17, lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term unless either of the below: a) another systematic basis is more representative of the time pattern of the user's benefit, or b) the payments to the lessor are structured to increase in line with expected general inflation for cost increases.
		Determining whether an arrangement contains a lease: There is no such requirement if it does not take the legal form of a lease.	**Determining whether an arrangement contains a lease:** An arrangement that does not take the legal form of a lease but fulfilment of which is dependent on the use of specific assets and which conveys the right to use the assets is accounted for as a lease in accordance with Ind AS 17.
7.	Accounting for Employee benefits	Currently under Indian GAAP the Company recognizes all short term and long term employee benefits in the profit and loss account as the services are received. For long term employee benefit, the Company uses actuarial valuation to determine the liability.	Under Ind AS 19, the change in liability is split into changes arising out of service, interest cost and re-measurements and the change in asset is split between interest income and re-measurements. Changes due to service cost and net interest cost/ income need to be recognized in the income statement and the changes arising out of re-measurements are to be recognized directly in OCI.
8.	Segment Disclosures - Determination of segments:	Currently under Indian GAAP, segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the enterprise as a whole. Segment revenue, segment expense, segment result, segment asset and segment liability have been defined. Disclosures are required based on classification of segment as primary or	Ind AS 108 requires segment disclosure based on the components of the entity that Management monitors in making decisions about operating matters (the 'management approach'). Such components (operating segments) are identified on the basis of internal reports that the entity's Chief Operating Decision Maker (CODM) regularly reviews in allocating

Sr. No.	Particulars	Indian GAAP	Ind-AS
		secondary. Disclosure requirements for secondary reporting format are less detailed than those required for primary reporting segments.	resources to segments and in assessing their performance. The term 'chief operating decision maker' identifies a function, not necessarily a manager with a specific title. That function is to allocate resources to and assess the performance of the operating segments of an entity. Often the chief operating decision maker of an entity is its chief executive officer or chief operating officer but, for example, it may be a group of executive directors or others.
9	Business combinations	Upon acquisition, any excess of the amount of the purchase consideration over the value of net assets of the transferor company acquired by the transferee company is recognized in the transferee company's financial statements as goodwill on acquisition. All acquisitions have been accounted in line with treatment prescribed in the court approval or in case of amalgamation, as prescribed under AS 14.	As per IND AS 103, All business combinations are to be accounted at fair value using the "Acquisition method". Upon acquisition, all assets acquired and liabilities assumed are recorded at fair value on the acquisition date. Contingent consideration payable shall be considered as part of total consideration while arriving at goodwill or gain on acquisition, as the case may be. However, common control transactions are scoped out and can be accounted for using the "book value" approach Lastly, Ind AS 101 provides exemptions for past business combinations from accounting prescribed under Ind AS 103 and the entity can elect to continue the accounting it had adopted under Indian GAAP.
10.	Classification of Financial Instruments and subsequent measurement	Currently under Indian GAAP the Company classifies all its financial assets and liabilities as short term or long term. Long term investments are carried at cost less any permanent diminution in the value of such investments determined on a specific identification basis. Current investments are carried at lower of cost and fair value. Financial liabilities are carried at their transaction values.	Ind AS 109 requires all Financial assets to be either classified as measured at amortized cost or measured at fair value. Where assets are measured at fair value, gains and losses are either recognized entirely in profit or loss (FVTPL), or recognized in other comprehensive income (FVTOCI). Financial assets include equity and debts investments, interest free deposits, loans, trade receivables etc., There are two measurement categories for financial liabilities — FVTPL and amortized cost. Fair value adjustment on transition shall be adjusted against opening retained earnings on the date of transition.

Sr. No.	Particulars	Indian GAAP	Ind-AS
		Provision for doubtful debts: Under Indian GAAP, provisions are made for specific receivables based on circumstances such as credit default of customer or disputes with customers. An enterprise should assess the provision of doubtful debts at each period end which, in practice, is based on relevant information such as past experience, actual financial position and cash flows of the debtors. Different methods are used for making provisions for bad debts, including ageing analysis and individual assessment of recoverability.	**Provision for doubtful debts:** In addition to the specific provisions under Indian GAAP, under Ind AS, at each reporting date, an entity shall assess whether the credit risk on trade receivables has increased significantly since initial recognition. When making the assessment, an entity shall use the Expected Credit Loss model to provide for a loss allowance over and above any provision for doubtful debts in the profit and loss statement. An entity shall measure expected credit losses to reflect the following: an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes; the time value of money; and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic condition
		Fair valuation of corporate guarantee given Under Indian GAAP. The company does not account for the Corporate Guarantee revenue	Under IND as 109, For a financial guarantee contract, the entity is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, cash shortfalls are the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the entity expects to receive from the holder, the debtor or any other party. If the asset is fully guaranteed, the estimation of cash shortfalls for a financial guarantee contract would be consistent with the estimations of cash shortfalls for the asset subject to the guarantee. Hence, such costs are to be recorded in books
		Recognition and measurement of Financial liabilities at amortized cost: Company borrowings and debentures were measured at initial recognition minus the principal repayments.	Financial liabilities at amortized cost shall be measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

Sr. No.	Particulars	Indian GAAP	Ind-AS
11.	Other income	Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.	Ind AS 18 requires interest to be recognised using effective interest rate method as per Ind AS 109
12.	Revenues - Measurement:	Revenue is recognized at the nominal amount of consideration receivable.	Revenue is recognised at fair value of the consideration receivable. Fair value of revenue from sale of goods and services when the inflow of cash and cash equivalents is deferred is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of consideration is recognized as interest revenue using the effective interest method.

INDUSTRY OVERVIEW

The information in this section has been extracted from certain publications prepared by third party sources as cited in this section. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. While we have exercised reasonable care in compiling and reproducing such official, industry, market and other data in this document, it has not been independently verified by us or any of our advisors, or the of the Book Running Lead Manages or any of its advisors, and should not be relied on as if it had been so verified.

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OVERVIEW OF THE INDIAN ECONOMY

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP increased 7.1 per cent in 2016-17 and is expected to achieve a growth rate of 7 per cent by September 2018. Wholesale Price Inflation (WPI) in October 2017 increased to 3.6 per cent from 2.6 per cent in September 2017. Consumer Price Inflation (CPI) as per new series (combined) increased to 3.6 per cent in October 2017 as compared to 3.3 per cent in September 2017.

(Source: https://www.ibef.org/economy/monthly-economic-report)

The growth rate of Gross Domestic Product (GDP) at constant market prices in second quarter (July-September) (Q2) of 2017-18 was 6.3 per cent, as compared to 7.5 per cent in the corresponding period of previous year. The growth rate of Gross Value Added (GVA) at constant basic prices for Q2 of 2017-18 was 6.1 per cent as compared to 6.8 per cent in the corresponding period of previous year. At the sectoral level, GVA of agriculture, industry and services sectors grew at the rate of 1.7 per cent, 5.8 per cent and 7.1 per cent respectively in Q2 of 2017-18. The total stocks of rice and wheat held by FCI and State agencies as on 1st November 2017 was 378.8 lakh tonnes comprising of 140.3 lakh tons of rice and 238.5 lakh tonnes of wheat. The Index of Industrial Production (IIP) grew by 2.2 per cent in October 2017, as compared to a growth of 4.2 per cent in October 2016. IIP growth during April-October 2017 was 2.5 per cent, as compared to growth of 5.5 per cent during April-October 2016. Growth of money supply on year on year (YoY) basis as of 24th November, 2017 stood at 8.8 per cent as compared to a growth rate of 8.1 per cent recorded in the corresponding period in the previous year. The headline WPI inflation increased to 3.9 per cent in November 2017 from 3.6 per cent in October 2017. CPI inflation increased to 4.9 per cent in November 2017 from 3.6 per cent in October 2017. Gross tax revenue in April-October 2017 recorded a growth of 18.9 per cent over April October 2016. Tax revenue (net to Centre) increased by 19.5 per cent during April-October 2017.

(Source: Monthly Economic Report, November 2017, www. http://dea.gov.in)

Table . Growth in value added and GDP (per cent, constant prices)

Sector	2013-14	2014-15	2015-16	2016-17
Agriculture, forestry & fishing	5.6	-0.2	0.7	4.9
Mining & quarrying	0.2	11.7	10.5	1.8
Manufacturing	5.0	8.3	10.8	7.9
Electricity, gas and water supply	4.2	7.1	5.0	7.2
Trade, hotel, transport, communication etc	6.5	9.0	10.5	7.8
Financial, real estate and prof. services	11.2	11.1	10.8	5.7
Public Administration, defence and others	3.8	8.1	6.9	11.3
GVA	6.1	7.2	7.9	6.6
Core GVA	6.6	9.0	9.8	6.2
GDP	6.4	7.5	8.0	7.1

***Source:* CSO and Survey Calculations**

***Note:* Core GVA=Aggregate GVA - GVA of agriculture & allied, and, public administration, defence and other services**

(Source: Report on Economic Survey 2016-17 Volume 2 available on http://indiabudget.nic.in/es2016-17/echap01_vol2.pdf)

OVERVIEW OF THE INDIAN AGRICULTURE SECTOR

The Indian agriculture sector remains the backbone of the nation's economy accounting for 15.35% of the country's Gross Domestic Product (GDP) as per the estimates of CSO. Though the share of Indian agriculture in GDP has witnessed a decline over the years, a trend expected in a developing economy, the food grain production in India registered a CAGR ('Compounded Annual Growth Rate') of about 2% during the period FY2010-2011 and FY2016-2017. Indian agriculture is highly monsoon dependent, out of the 142 million hectares of net sown area, only 45% or 64 million hectares have access to irrigation facilities. According to CSO, the market size of agriculture and its allied sectors (including agriculture, livestock, forestry and fishery) during FY16 was about Rs.16.02 lakh crore and has shown a marginal growth of about 1-2% compared to earlier year. Its contribution to the Gross Value Added (GVA) has also reduced by 100 bps to 15.35% during FY16 compared to earlier year.

(Source: Report on Outlook of Indian Pesticide Industry dated May 31, 2017 prepared by the Ratings Department, CARE Ratings)

The cumulative rainfall received for the country as a whole, during the period 1st October to 20th December 2017, has been 8 per cent below normal. The actual rainfall received during this period has been 112.1 mm, as against the normal at 121.3 mm. Out of the total 36 meteorological subdivisions, 1 subdivision received large excess rainfall, 6 subdivisions received excess rainfall, 14 subdivisions received normal rainfall, 6 subdivisions received deficient rainfall and 9 subdivisions received large deficient rainfall. As per the 1st Advance Estimates released by Ministry of Agriculture, Cooperation & Farmers Welfare on 22nd September 2017, production of kharif foodgrains during 2017-18 is estimated at 134.7 million tonnes, as compared to 138.5 million tonnes (4th Advance estimates) and 135 million tones (1st Advance estimates) in 2016-17.

Crops	Production (Million Tonnes)					
	2012-13	2013-14	2014-15	2015-16	2016-17 (4th AE)	2017-18 (1st AE)*
Total Foodgrains	**257.1**	**265.0**	**252.0**	**251.6**	**275.7**	**134.7**
Rice	105.2	106.7	105.5	104.4	110.2	94.5
Wheat	93.5	95.9	86.5	92.3	98.4	---
Total Coarse Cereals	40.0	43.3	42.9	38.5	44.2	31.5
Total Pulses	18.3	19.3	17.2	16.4	23.0	8.7
Total Oilseeds	30.9	32.8	27.5	25.3	32.1	20.7
Sugarcane	341.2	352.1	362.3	348.4	306.7	337.7
Cotton#	34.2	35.9	34.8	30.0	33.1	32.3
Source: DES, DAC&FW, M/o Agriculture & Farmers Welfare. 4th AE: 4th Advance Estimates, # Million bales of 170 kgs. each. *: Only Kharif Crops.						

(Source: Monthly Economic Report, November 2017, www. http://dea.gov.in)

Procurement: Procurement of Rice as on 1st November 2017 during kharif marketing season 2017-18 was 12.8 million tonnes whereas procurement of wheat during rabi marketing season 2017-18 was 30.8 million tonnes.

Table 4: Procurement of Crops (Million Tonnes)

Crops	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Rice#	35.0	34.0	31.8	32.0	34.2	38.1	12.8*
Wheat@	28.3	38.2	25.1	28.0	28.1	22.9	30.8
Total	**63.3**	**72.2**	**56.9**	**60.2**	**62.3**	**61.0**	**43.6**
# Kharif Marketing Season (October-September), @ Rabi Marketing Season (April-March), * As on 01.11.2017 Source: FCI and DFPD, M/o Consumer Affairs and Public Distribution.							

(Source: Monthly Economic Report, November 2017, www. http://dea.gov.in)

The offtake of rice during the month of September, 2017 has been 27.6 lakh tonnes. This comprises 23.8 lakh tonnes under Targeted Public Distribution System ('TPDS')/ National Food Security Act, 2013 ('NFSA') and 3.8 lakh tonnes under other schemes. In respect of wheat, the total offtake was 20.1 lakh tonnes comprising of 18.0 lakh tonnes under TPDS/NFSA and 2.1 lakh tonnes under other scheme. The cumulative offtake of foodgrains during 2017-18 is 33.9 million tonnes.

Table 5: Offtake of Foodgrains (Million Tonnes)

Crops	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 *
Rice	32.6	29.2	30.7	31.8	32.6	20.1
Wheat	33.2	30.6	25.2	31.8	24.4	13.8
Total (Rice & Wheat)	**65.8**	**59.8**	**55.9**	**63.6**	**57.0**	**33.9**
Source: DFPD, M/o Consumer Affairs and Public Distribution. *: upto September, 2017						

(Source: Monthly Economic Report, November 2017, www. http://dea.gov.in)

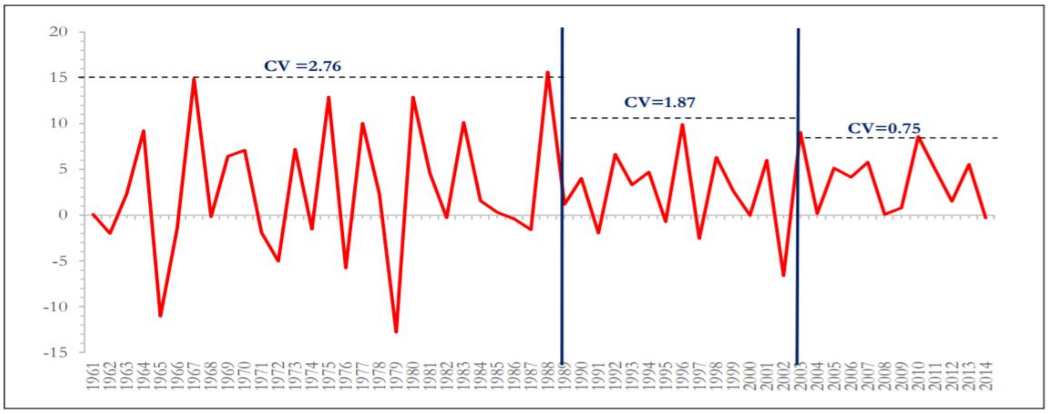
The total stocks of rice and wheat held by FCI and State agencies as on 1st November 2017 was 378.8 lakh tonnes comprising 140.3 lakh tones of rice and 238.5 lakh tonnes of wheat.

Table 6: Stocks of Foodgrains (Million Tonnes)		
Crops	**November 1, 2016**	**November 1, 2017**
1. Rice	12.5	14.0
2. Unmilled Paddy#	18.6	19.6
3. Converted Unmilled Paddy in terms of Rice	12.4	13.1
4. Wheat	18.9	23.8
Total (Rice & Wheat)(1+3+4)	**43.8**	**50.9**
# Since September, 2013, FCI gives separate figures for rice and unmilled paddy lying with FCI & state agencies in terms of rice.		

(Source: Monthly Economic Report, November 2017, www. http://dea.gov.in)

Key statistics in relation to agricultural commodities

Figure 6. Agriculture GDP Growth in India (per cent)



Source: **CSO**
Note: **CV – Coefficient of Variation**

(Source: Report on Economic Survey 2016-17 Volume 2 available on http://indiabudget.nic.in/es2016-17/echap01_vol2.pdf)

Figure 7. Annual growth of Cereal Production (per cent)

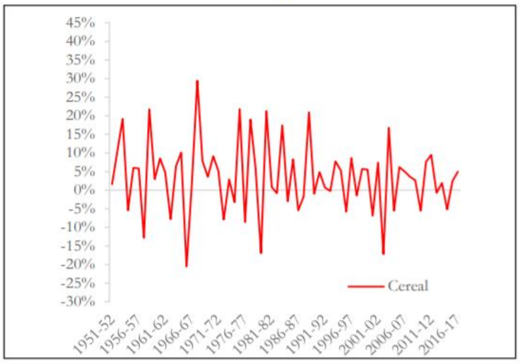
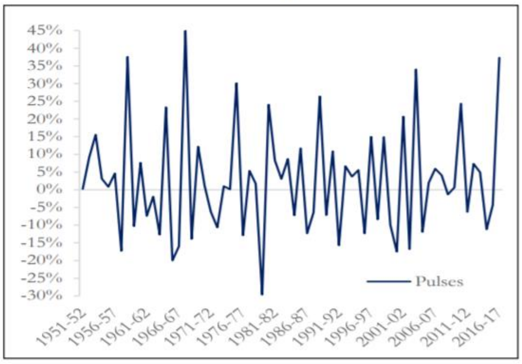


Figure 8. Annual growth of Pulses Production (per cent)



Source: **Directorate of Economics & Statistics, Ministry of Agriculture**

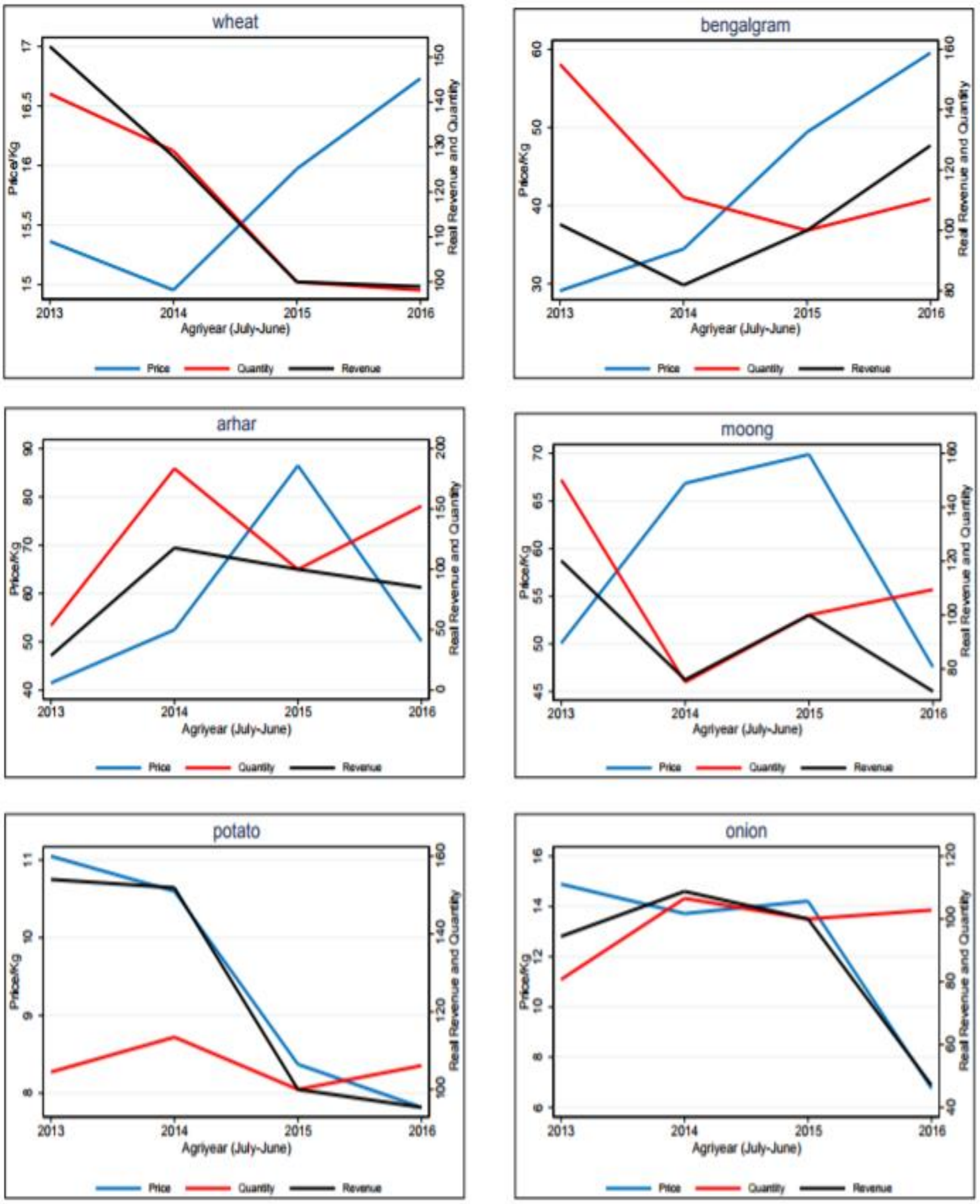
Table 5. Variability in Pulses and Cereal Production

	Mean		Coefficient of variation	
	Pulses	Cereal	Pulses	Cereal
1951-2017	2.6%	3.6%	5.88	2.69
1951-1965	2.2%	3.4%	6.86	3.19
1966-1989	2.8%	5.6%	6.03	2.04
1990-2004	0.7%	1.5%	20.35	5.01
2005-2016	5.3%	2.7%	2.42	1.64

Source: **Directorate of Economics & Statistics, Ministry of Agriculture**

(Source: Report on Economic Survey 2016-17 Volume 2 available on http://indiabudget.nic.in/es2016-17/echap01_vol2.pdf)

Figure 13. Selected Agricultural Commodities: Real Revenues, Quantities and Prices



Sources: Agmarknet and Survey estimates

Notes: Agriculture year 2016 stands for 2016-17 and like wise others too. Prices are weighted averages. Real revenue and quantity are indexed with base agriculture year 2015-16=100

(Source: Report on Economic Survey 2016-17 Volume 2 available on http://indiabudget.nic.in/es2016-17/echap01_vol2.pdf)

Edible Oils

According to Solvent Extractor's Association of India (SEA), imports of edible oils increased by 3.5% to 15.1 million tonnes in the previous oil year November 2016-October 2017 compared to the corresponding period a year ago. The rise in imports was despite a growth in edible oil production, the output is estimated to have grown by 17.4% y-o-y to 7.68 million tonnes in oil year 2016-17. Edible oil production is expected to fall in the ongoing oil year 2017-18 due to lower availability of oilseeds for crushing. As per first advance estimates released by Department of Agriculture, Cooperation and Farmers Welfare, kharif oilseeds production is anticipated to drop by 7.7% on a y-o y basis to 20.68 million tonnes for 2017-18 driven by 11.4% fall in production of soyabean oilseeds to 12.2 million tonnes. Also, the area covered under rabi oilseeds for 2017-18 is lower by 2.8%. Consumption on the other hand is expected to rise steadily. India will therefore continue to depend on imports of edible oils to fulfil the domestic requirements and thus imports are expected to remain higher in the ongoing oil year 2017-18 on a y-o-y basis.

(Source: Report on Industry Research and Sector Outlook for F.Y. 2018 prepared by CARE Ratings in November, 2017)

Cotton and Cotton Yarn

Cotton

Domestic prices of widely used varieties of cotton – J-34 and S-6 increased by a sharp 22% and 23% y-o-y in CS17. As per the first estimates released by the Cotton Association of India (CAI) on November 14, 2017, the acreage for cotton in CS18 is set to increase by over 19%. However, the yields are expected to be lower by 8-9% owing to damage caused by the pest attacks. Production therefore is set to increase by about 11% to 6.4 billion kgs in the current cotton season. Imports are expected to witness a sharp fall of about 37% y-o-y and the prices are expected to moderate on back of higher availability in the domestic market.

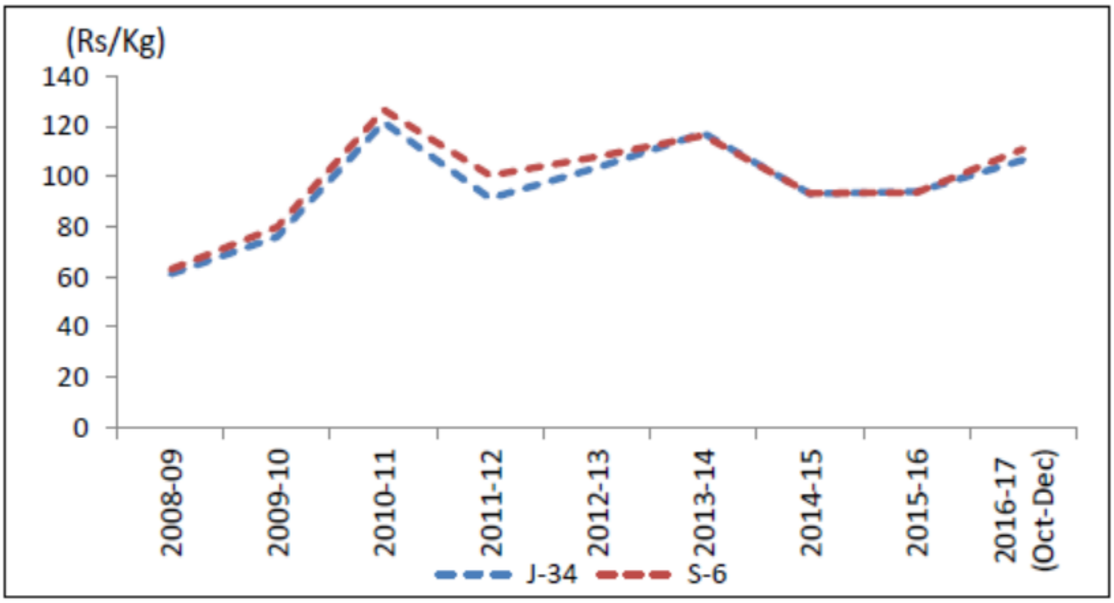
(Source: Report on Industry Research and Sector Outlook for F.Y. 2018 prepared by CARE Ratings in November, 2017)

Acreage for cotton in the country is estimated at 10.5 million hectares in cotton season 2016-17, lower by about 11.6% y-o-y. Production in CS17 increased only marginally by about 1% to 5.7 billion kgs after declining by over 8% y-o-y in CS16. Domestic prices of widely used variety of cotton – J-34 and S-6 increased by a sharp 22% and 23% y-o-y in CS17.

As per the first estimates released by the Cotton Association of India (CAI) on November 14, 2017, the acreage for cotton in CS18 is set to increase by over 19%. However, the yields are expected to be lower by 8-9% owing to damage caused by the pest attacks. Production therefore is set to increase by about 11% to 6.4 billion kgs in the current cotton season. Imports are expected to witness a sharp fall of about 37% y-o-y and the prices are expected to moderate on back of higher availability in the domestic market.

(Source: Report on Industry Review and Industry Outlook for F.Y. 2018 prepared by CARE Ratings in November, 2017)

Chart 3: Domestic Cotton Prices (Domestic Cotton Season starting October 1)



Source: Cotton Advisory Board

(Source: Report on Cotton and Cotton Yarn Industry Update dated January 16, 2017 prepared by CARE Ratings)

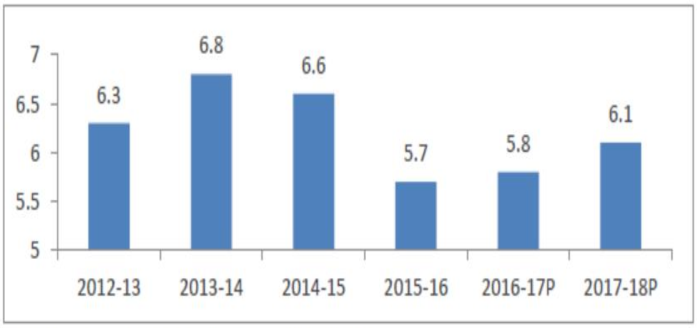
Cotton Yarn

In FY18 (Apr-Aug), production continued to decline marginally by 1.7% y-o-y to 1,693 thousand tonnes vis-à vis 1,723 thousand tonnes produced during the corresponding period last year on back of sluggish demand in the domestic market as well as substitution taking place from Man-made Fibres (MMF). Cotton yarn prices increased by about 9% on a y-o-y to an average of Rs 257 per kg during FY18 (Apr-Aug).

Cotton yarn prices are highly volatile due to volatility in the demand (depending on price of the substitute – synthetic yarn), which is majorly impacted by exports of cotton and cotton yarn. India exports around 15-20% of cotton and 30–40% of cotton yarn. Therefore, even a minute change in the exports demand supply scenario will significantly impact domestic prices and thereby the margins of the yarn spinners.

(Source: Report on Industry Review and Industry Outlook for F.Y. 2018 prepared by CARE Ratings in November, 2017)

Chart 2: Cotton production (Billion Kgs)



Source: Cotton Advisory Board and International Cotton Advisory Committee (ICAC)

Chart 3: Domestic Cotton prices (CS – Oct-Sept)

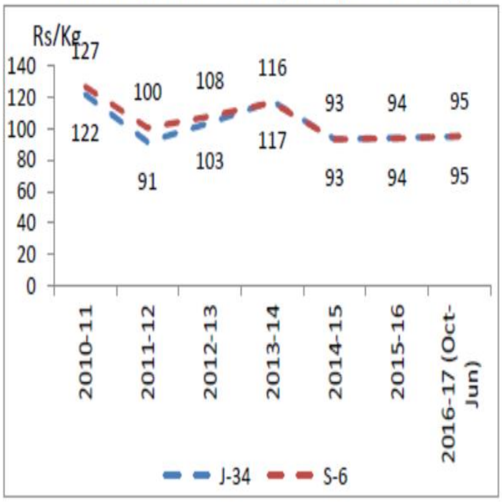
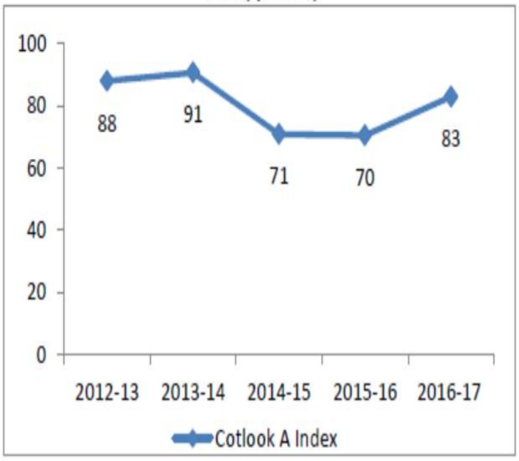


Chart 4: International Cotton prices (CS – Aug –Jul) (US cents/pound)



Source: CMIE

India will likely be the world's largest producer for the third consecutive season with production by about 6% to 6.1 billion kgs. An early and normal monsoon, a higher minimum support price, and the prospect of better returns from cotton compared to competing crops have encouraged farmers in India to expand area by 8% to 11.3 million hectares. Domestic prices of the cotton of S-6 and J-34 category remained stable during cotton season 2017. However, during the last 2-3 months period, cotton prices have increased by a double digit number backed by increased demand along with higher international prices. However, as estimated by CARE Ratings, despite the temporary surge in prices, it is expected to stabilize or increase only marginally in CS 2017 on back of surplus production and weak international demand especially from China.

(Source: Report on Industry Research dated August 07, 2017 prepared by CARE Ratings)

Government has approved the increase in the Minimum Support Prices (MSPs) for all Rabi Crops of 2017-18 Season to be Marketed in 2018-19 on October, 24, 2017. To incentivise cultivation of pulses and oilseeds in the country, Government has announced a bonus of Rs. 150/- per quintal for Gram and Rs 100/- per quintal for Masur (Lentil), Rapeseed/Mustard and Safflower. This bonus is payable over and above the approved MSP. The details of MSPs and bonus for all Rabi Crops of 2017-18 season are given in table below:

(Rs. Per quintal)

Commodity (Fair Average Quality)	2017-18 Season		
	MSP for 2017-18	Bonus	Total (MSP + Bonus)
Wheat	1735	-	1735
Barley	1410	-	1410
Gram	4250	150	4400
Masur (Lentil)	4150	100	4250
Rapeseed/Mustard	3900	100	4000
Safflower	4000	100	4100

(Source: Report by Ministry of Agriculture & Farmers Welfare available on http://www.agricoop.nic.in/recentinitiatives/minimum-support-pricemsp-and-bonus-rabi-crops-2017-18-season-be-marketed-2018-19)

Future Expectations

The Ministry of Agriculture has provided its first advance estimate of agricultural production for the kharif crops this year which is presented in the table below. Production of rice, maize, tur, moong and soybean are expected to be lower compared with last year. However, production levels will still be higher than that in 2016 season and hence prima facie there should not be a problem with supplies. Overall food grains production would be around 135 mn tonnes as against 138.5 mn tonnes last year. Soybean production would be important as lower output would lead to higher import of edible oils this year. Global prices of soya oil have been volatile in the last year and as per IMF data have been in the range of $ 670-800/tonne. It has averaged $ 725/tonne this year so far. Cotton production has gained partly due to crop switching from pulses in the interiors of Maharashtra due to lower rainfall this season as well as overproduction of pulses last year.

Kharif crops outcomes

Mn tonnes	2014-15	2015-16	2016-17	2017-18
Rice	91.39	91.41	96.39	94.48
Coarse cereals	30.94	28.15	32.71	31.49
Maize	17.01	16.05	19.24	18.73
Pulses	5.73	5.53	8.75	8.71
Tur	2.81	2.56	4.78	3.99
Urad	1.28	1.25	1.85	2.53
Moong	0.87	1.00	1.62	1.32
Oilseeds	19.19	16.68	22.40	20.67
Groundnut	5.93	5.36	6.22	6.21
Soybean	10.37	8.57	13.79	12.21
Cotton (bales)	34.80	30.00	33.09	32.27
Sugarcane	362.3	348.4	306.72	337.70

Source: Ministry of Agriculture

The final outcomes of the crop production, availability of stocks from last year for pulses and import of edible oils at stable prices will be the main factors driving food inflation this year. As per FCI data, stocks of rice were 20.4 mn tonnes as of August which is higher than that of last year when it was 18.7 mn tonnes. Hence, it is unlikely that there would be a price impact even if final output is lower.

Market sources indicate that the government has adequate stocks of pulses which it is trying to sell to stabilize prices and hence lower production could be buffered to an extent. This is important because it has been noticed that while CPI inflation has been below the 4% target mark, the non-food categories have witnessed inflation of between 4-5.5% with food inflation helping to keep the headline number down. Any spike in prices could potentially impact the CPI inflation numbers especially so since the statistical low base advantage would get diluted during the course of the year. But there would still be upward pressure on prices. For this year, the government has increased the MSP of all crops which will continue to exercise pressure on prices though the extent would be less than proportional even as market prices adjust to the new benchmarks.

Change in Minimum Support Price (2017 over 2016)

	% increase
Paddy/rice	5.3
Maize	4.4
Tur	7.9
Moong	6.7
Urad	8.0
Cotton	3.8-4.1
Groundnut	5.5
Soybean	9.9

Ministry of Agriculture

(Source: Report on Kharif Prospects for 2017 dated October 03, 2017 prepared by CARE Ratings)

Table 3: Area under cultivation of various kharif crops (lkh hectares)

Crop	Area sown in 2016-17	Area sown in 2017-18
Rice	372.03	366.30
Pulses	143.08	137.61
Coarse Cereals	183.44	180.60
Oilseeds	180.81	166.80
Sugarcane	45.64	49.88
Jute & Mesta	7.56	7.05
Cotton	101.72	119.88
Total	**1034.28**	**1028.14**

Source: Ministry of Agriculture

The acreage of rice is down by 5.73 lakh hectares and it is down by 5.47 lakh hectares for pulses. Similarly, coarse cereals and oil seeds are lagging by 2.84 and 14.01 lakh hectares respectively compared with last year. Acreage of cash crops like sugarcane and cotton has increased by 4.24 and 18.16 lakh hectares respectively. The plantation of Soybean has witnessed a dip of 8.1%, i.e., from 113.30 lakh hectares last year to 105.18 lakh hectares in 2017-18. Similarly, groundnut has also seen a fall of 4.5%. Coarse cereals like Maize and Jowar have seen a decline in acreage by 4.2% and 1.7% respectively. Tur has declined by 9.4% this year which is a fall from 51.74 in the previous year to 42.31 lakh hectares this year. Output of pulses and oilseeds will be declining due to lower plantation compared with last years. The slump in oilseeds acreage will increase the dependency on oil imports in case production is lower this year. As global prices of edible oils are low presently the inflationary impact may not be significant. The low market prices of Tur is the reason for the decrease in its cultivation

(Source: Report on Monsoon Monitor dated September 06, 2017 prepared by CARE Ratings)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise stated, references in this section to the "Company", "we", "our" or "us" are to Nath Bio-Genes (India) Limited. All financial information included herein is based on our financial information included in the chapter titled "Financial Statements" beginning on page 176.

Overview

We are a research and development driven company primarily into the business of production, processing and marketing of high quality hybrid seeds for different field crops like cotton, jowar, bajra, maize, wheat, paddy, mustard, sunflower and wide range of vegetables. In order to diversify our offering, we also forayed into trading of micro nutrient supplements used for increasing enzymatic activities in plant resulting in good metabolic process. Since our incorporation in July, 1993, we have significantly expanded and diversified our product profile, client base and geographical footprint. As on December 31, 2017, we have a product portfolio which includes, seeds for 12 different field crops and vegetables and 1 plant nutrient supplement and have a distribution network in 16 states across India. Further, as on December 31, 2017, we have a pool of germ plasm with approximately 19,000 lines.

We offer a wide range of seeds categorized as research seeds and hybrid seeds. Research seeds are high quality seeds being produced by a backward integration process and offer natural nutrient qualities. These seeds require intensive research and are also called pure seeds. Hybrid seeds are produced through open pollination and cross pollination processes. Our products are organized into the four product groups, (i) cereals, which include maize, paddy, pearl millet, wheat and jowar, (ii) fiber and oil seeds which include cotton, mustard and sunflower, (iii) vegetables such as chilli, okara, tomato, brinjal, bottle gourd, bitter gourd, sponge gourd, ridge gourd, cucumber, coriander etc. and (iv) plant nutrient supplements such as Win Chi Win.

We currently have 10 production centres and 2 processing centres in 7 states, out of which the processing centre in Aurangabad is on land which is owned by us. Further, we have 11 research trial stations in 7 states, out of 2 research trial stations are owned by our Company. Our research mainly focuses on developing superior hybrids in different crops suitable for varying agro climatic conditions, such as water availability, crop duration and soil attributes, across different geographic regions. We have made significant investments to enhance our R&D capabilities over the years and believe that our emphasis on R&D has been critical to our success. Our Company has been recognized by the Department of Science and Industrial Research ("**DSIR**"), Government of India as an in-house R&D company. In Fiscal 2017 and the six months ended September 30, 2017, our Company incurred ₹ 867.44 lacs and ₹ 310.49 lacs, respectively, in research and development expenses. As at December 31, 2017, our R&D team comprises 43 personnel, including 11 scientists, of which 3 are a part of our senior management. Our research team is led by Dr. Satish Raina, with over 4 decades of experience in development and research of hybrid seeds. As on December 31, 2017, we have developed more than 40 different hybrids with superior yields and characteristics which make them attractive for cultivation.

As on December 31, 2017, we had a total workforce of 343 employees including 7 senior management personnel, 29 accounts personnel, 143 marketing personnel, 87 production, processing & quality assurance personnel, 37 administrative staff, and 40 R&D personnel. We have over the years developed an extensive network of distributors and dealers across India. As at December 31, 2017, we have 16 branch offices and approximately 1,265 distributors. Our 12 strategically located distribution and storage facilities (including conditioned storage facilities), help us meet the varying requirements of our customers in 16 states in India. We believe our extensive distribution network allows us to penetrate rural markets across major crop producing regions of India.

Our Company's business history related to the research and development of high quality, high yielding hybrid seeds and plant biotechnology can be traced back to 1980 when Nath Seeds Limited was promoted by various promoters including Nandkishor Kagliwal. Pursuant to a Scheme of Arrangement, approved by the High Court of Judicature at Bombay, pursuant to its order dated August 27, 2003, between Nath Seeds Limited, Nath Bio-Genes (India) and Agri-Tech (India) Ltd, the entire running business of the seed division of Nath Seeds Limited was transferred to our Company. For further information on Scheme of Arrangement, see *"Key milestone"* in the chapter '*Our Business*' on page 105.

We have entered into an MOU with Global Transgenes Limited, our Associate Company, for use of Bollgard II technology which is used for genetic modification of cotton seeds. Our Company has also entered into an agreement with International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) for transfer of breeding material whereby our Company procures breeding material from ICRISAT for further product development. We have set up 11 research trial stations for evaluating research products across agro climatic zones which further help us in not only making high yields seeds, but also in creating seed embedded technologies to protect against specific biotic / abiotic stressors.

For the period ended on September 30, 2017 and in fiscal 2017, 2016 and 2015 we generated net revenue from operations of ₹ 11,588.79 lacs, ₹ 16,972.56 lacs, ₹ 16,210.59 and ₹ 18,532.70, respectively and net profit after tax of ₹ 2,373.14 lacs, ₹ 1,628.25,lacs, ₹ 1,416.75 and ₹ 2,539.75 respectively.

Our Competitive Strengths

We believe that the following are our principal strengths:

Large pool of germ-plasm and strong research and development

We believe that we possess one of the largest pool of germ plasm in India. We have spent over three decades developing a large pool of germ plasm and as of December 2017, we have approximately 19,000 germ plasm lines. Our diverse germ plasm bank across various field crops and vegetables provides us with flexibility for our breeding programmes and the ability to diversify our product pipeline. The germ plasm diversity of our repository also helps us accelerate the development of products that are suitable for different agro-climatic conditions and geographical regions to meet the demands of various markets. A substantial portion of our germ plasm is the product of our own research and development efforts.

We believe that a germ plasm repository as extensive as ours is difficult to replicate and to obtain regulatory approvals for and to commercialise them is expensive. As a result, we believe that the resources and time required to develop a large germ plasm bank acts as a barrier to entry for potential new entrants into the market.

In Fiscal 2017 and the six months ended September 30, 2017, our Company incurred ₹ 867.44 lacs and ₹ 310.49 lacs, respectively, in research and development expenses, representing 5.11% and 2.68% of our revenue from operations in Fiscal 2017 and the six months ended September 30, 2017, respectively. As of December 31, 2017, our research facilities were spread over approximately 103.37 acres of land and we had a dedicated research team comprising 43 persons, including 11 research scientists with doctorate degrees. We currently have 10 production centres and 2 processing centres in 7 states, out of which the processing centre in Aurangabad is on land which is owned by us. Additionally, we have 11 research trial stations in 7 states.

Our research mainly focuses on developing superior hybrids in different crops suitable for varying agro climatic conditions, such as water availability, crop duration and soil attributes, across different geographic regions. We also engage in research activities through arrangements entered into with various research partners which supplements our in-house research capabilities for the development and collection of germ-plasm, product development, evaluation and testing.

Pan-India presence with extensive supply and distribution network

We have a pan-India presence and operations spanning across four business verticals: cotton, field crops, vegetables, and plant nutrient supplements. We have, over the years, developed an extensive network of distributors and dealers across India. As at December 31, 2017, we have 16 branch offices and approximately 1,265 distributors. Our 12 strategically located distribution and storage facilities (including conditioned storage facilities) help us meet the varying requirements of our customers in 16 states in India. Our decentralized, pan-

India supply chain allows us to effectively manage our inventory and provides us with flexibility and access to a number of production, processing and storage facilities. Our nationwide footprint also allows us to leverage the competitive advantages of each location to enhance our competitiveness and reduce geographic and political risks in our businesses. We believe that our large-scale distribution network allows us to provide seeds in more locations across the country with less lead times than producers with less geographically extensive distribution networks.

We use information technology and communication applications to further improve operational efficiencies in our business. For example, our SAP-based enterprise resource planning system ("**ERP**") integrates barcode tracking to monitor the movement of our products and sales returns for better inventory management. We are also piloting the use of mobile applications in managing our inventory and logistics, supply chain and sales and distribution operations, as well as in our farm advisory services.

Wide range of hybrid seed crops and established brand

We have hybrid seeds for cotton, sunflower, maize, paddy etc. These varieties give us an edge in the market and we have the ability and infrastructure to further develop different hybrids in these crops. Our product portfolio gives us a natural hedge against dependence on any particular crop(s), and we have an advantage to meet changing farmer needs even in the event of crop-shifting by farmers. Our key hybrid cotton seed product include NBC-102, NBC-1022 and NBC King 101. Our key hybrid maize seed product include NMH 1008 and NMH 1591 and our key hybrid pearl millet seed product include NBH 1717 and NBH 1188 and hybrid paddy seed product include Gazab, Super Duper, Ford 140 and Tehelka.

We also produce seeds for other field crops such as mustard, wheat, sorghum and fodder sorghum, and for vegetables such as okra, chillies, tomatoes and cucumbers. As of December 31, 2017, our product portfolio comprised 66 products across 12 types of field crops and vegetables and 1 plant nutrient supplement.

We have been serving the Indian farmers for more than three decades now and have been consistently improving our turnover, as well as our presence and profitability. We have withstood the pressures of competition and continue to serve quality seeds to the Indian farmers. On account of such long standing efforts, farmers recognize our brand "*Nath Seed*" because of its quality. We believe our stringent in-house quality checks and parameters help us to maintain the quality of all our products. Further, with constant and consistent improvement in performance of our hybrids, augmented with quality, we believe that we have become the preferred seed brand for the Indian farmer. We believe that our brands are well recognised by farmers and that the positive reputation of these brands in the market provides us with a strong platform to maintain and increase our revenues. We also believe that this enables us to receive advance orders from our distributors along with payments in certain states in India, which helps us manage our working capital requirements and provides us with an early indication of the demand for our products.

Experienced and qualified team of professionals

We believe that our qualified and experienced management team provides us significant competitive advantage and enables us to function effectively and efficiently. Our Promoter and Chairman, Nandkishor Kagliwal has over 39 years of experience in the seed industry and our Promoter and Managing Director, Satish Kagliwal has over 28 years of experience in the seed industry. They are supported by our experienced management team with extensive experience in the seed industry. We believe that the combination of our experienced Board of Directors and our dynamic management team positions us well to capitalize on future growth opportunities.

We believe that our experienced management has demonstrated the ability to successfully build and integrate our various operating activities through their years of experience. In particular, they have led the process through which we have developed a diversified mix of products, built brand recognition and loyalty, managed price volatilities and identified new business opportunities.

Our Strategies

The primary elements of our business strategy are to continue to grow our existing businesses and leverage synergies between our businesses. Our specific growth strategies for each of our business verticals are as follows:

Expand our marketing and distribution network to increase the sales opportunities

As we are majorly dependent upon the monsoon, the challenge in our business lies in reaching a geographically dispersed end-user at the right time at the right place with the right product. It also involves ensuring that the end user has the necessary awareness of what kind of seed products, he needs to meet his specific requirements. Due to the seasonal and on-time nature of our business, best of R&D and production activities and best of quality production would not be realized if our products did not reach the end consumer in a timely manner, or if the consumer was not aware of the product. This makes a strong marketing and distribution network critical.

Our marketing and distribution network, which is our key strength, enables us not only to service our existing markets but also expand our reach further in most markets. Our core network of loyal and committed dealers has been built over our long presence in this market on the basis of proven product performance and meeting customer expectations. We recognize further building of marketing and distribution network as fundamental to our proposed expansion strategy. We shall focus on expansion of our marketing and distribution network throughout India, through setting up of marketing offices, godowns and creating awareness among farmers and dealers. We believe that such expansion of our marketing and distribution capabilities shall significantly increase business opportunities.

Continue our breeding program in order to develop new varieties with those characteristics most desired by farmers

We strongly believe that our future success is dependent on our continued focus on breeding and other R&D to develop new and better products that deliver higher yields, enhanced product quality and higher levels of pest and disease tolerance over naturally occurring varieties. We intend to take full advantage of the opportunity for customization and commercialization of new products through continued breeding and R&D efforts. Our research and development activities include conventional breeding programmes and the use of innovative biotechnology tools, which we believe have driven the development of our diverse repository of germplasm, which has enabled us to develop an extensive portfolio of products and helped us to gain greater market share across various product categories and regions across the country. Our strategy involves retaining and growing our market share by continuing to develop high quality, proprietary hybrids for the key markets in which we operate and to actively pursue the development of new technologies through our research and development efforts. We integrate conventional breeding programmes with modern biotechnologies to reduce breeding cycles and develop seeds with better resistance to biotic and abiotic stresses, nutritional quality and yield.

It is absolutely necessary for us to keep abreast with the latest changes in seed science and take advantage of the latest technological developments. As far as possible, we use our existing R&D resources to develop our own in-house cost-effective technologies. However, when we feel that the development of a particular technology is time-consuming, we opt to gain access to the same from others.

Enhance product offering

We will continue to identify related product opportunities based on market trends and intelligence, feedback from our dealer network and identify opportunities vegetables and field crops other than cotton. Our revenue from the sale of seeds of cereals, vegetables and micro- nutrients decreased in Fiscal 2016 to ₹ 16,210.59 lacs as compared to ₹18,532.70 lacs in Fiscal 2015 due to bad monsoon. However, it subsequently increased to ₹16,972.56 lacs in Fiscal 2017 and is ₹ 11,588.79 lacs as at September 30, 2017. We intend to continue to produce these high quality products in large volumes to increase our market share for these products, and consequently, their contribution to our revenue from operations.

Further, we seek to increase the penetration of our products in markets in which we are currently present and widen the portfolio of our products available in those markets. We would continue to focus on investing in our production capacities and diversify our product range thereby strengthening our presence as a diversified product portfolio based agri-input company.

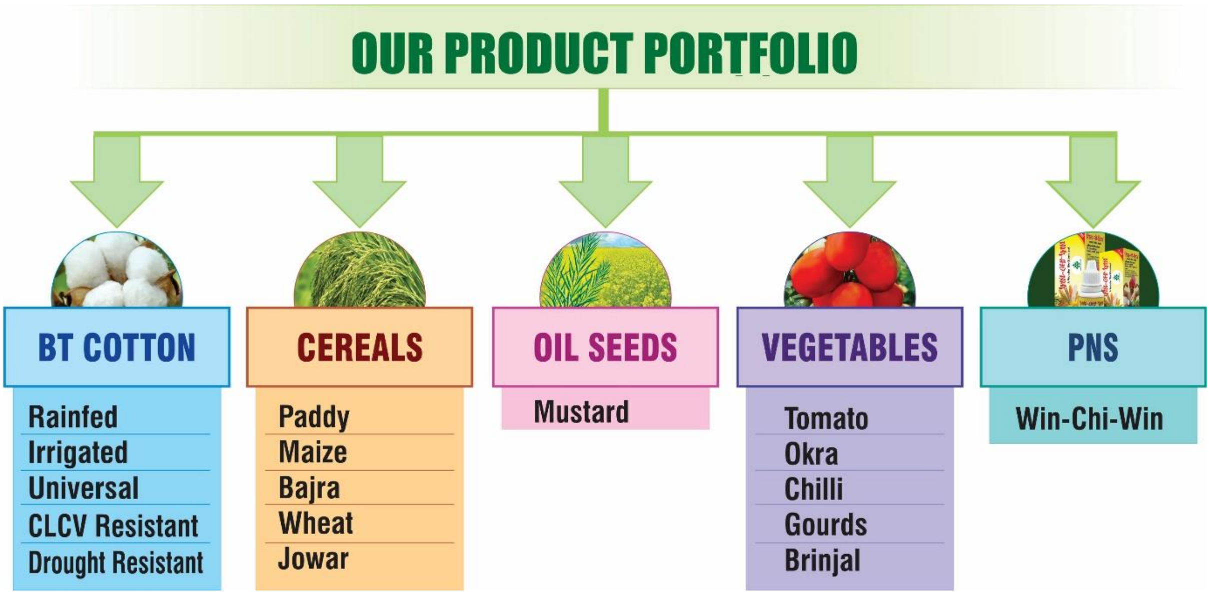
Key Milestones

The following table sets forth the key events and milestones in the history of our Company:

Year	Events
1993	Our Company was incorporated in the name of "*Shivnath Farms Private Limited*"
2000	Our Company was converted to a public limited company and the name of our Company was changed to "*Shivnath Farms Limited*"
2001	The name of our Company was changed from '*Shivnath Farms Limited*' to its present name "*Nath Bio-Genes (India) Limited*"
2003	The seed business of Nath Seeds Limited was transferred to our Company pursuant to order dated August 27, 2003 passed by the High Court of Judicature at Bombay in terms of scheme of reconstruction between Nath Seeds Limited, Nath Bio-Genes (India) Limited and Agri-Tech (India) Limited.
2014	Our Company was listed on BSE and NSE

Our Products

We develop, produce, process and sell seeds for field crops such as cotton, paddy, maize, sorghum, pearl millet, wheat, sunflower, mustard, fodder sorghum, castor and sweet corn, and vegetables such as tomato, chillies, okra and cucumber. Below is a brief description of our products:



NBC-102 (Cotton)

NBC 102 is an early to medium maturity (140-150 days) product. This is a low input management product which is ideal for rain-fed conditions and has superior tolerance to dehydration stress. Designed for resource-poor marginal farmers of the rain-fed farming system. It has an enhanced resistance to sucking pests which facilitates convenient picking due to synchronized maturity. The product has a better volume-weight with lower physical dropping and para-wilt effects which results in a superior and assured yield.

NBC 1022 (Cotton)

NBC 1022 is a full maturity (170-180 days) product. This is a high-input management product ideal for irrigation conditions. It has high tolerance to sucking pests thereby being a very high yield product with highest bolls bearing hybrid all over. It has an excellent boll opening and easy picking convenience with continuous flowering and good rejuvenation.

Ghazab (paddy)

Ghazab is a medium maturity (120-125 days) product. This product is a new concept in hybrid rice (Gen 3 product). It has a high-test weight (27-28 gm/1000 grains).

Super Duper (Paddy)

Super Duper is an early maturity duration (110-115 days) product with a very high grain fertility (95-98 %). The product shows disease-free expression in addition to high yield potential. The product is also recommended for industrial use.

NMH 1008 (Maize)

NMH 1008 is a medium late maturity (110-115 days) product. This is a single cross full season maize hybrid with consistent high yield. It has a uniform plant height & low cob placement resulting in wider adaptability. This is suitable for both Kharif & Rabi seasons and has a high shelling percent (approximately 82%).

NBH 1717 (Pearl Millet)

NBH 1717 is an early maturity (74-78 days) products. It is an attractive plant type with medium height, non-lodging and is suitable for late planting, in case of delayed rainfall situation. This has a high degree of panicle compactness. The product has shiny grey grains (stay green) with good quality fodder after grain harvesting.

NBBH 1188 (Pearl Millet)

NBBH 1188 is the tallest Pearl Millet hybrid which is non-lodging in nature. It has long thick highly compact ear heads with bold and shiny light grey grains. The product is also tolerant to mid-season droughts.

NTH 1894 (Tomato)

NTH 1894 is a regular maturity (50-55 days) product having 80-110 gm weight. The product has a high level of resistance to TYLCV disease thereby resulting in high yield. It is suitable for long-distance transportation and has an excellent rejuvenation capacity. Hence it is suitable for rabi and summer cultivation with wider adaptability.

NOH-05 (Okra)

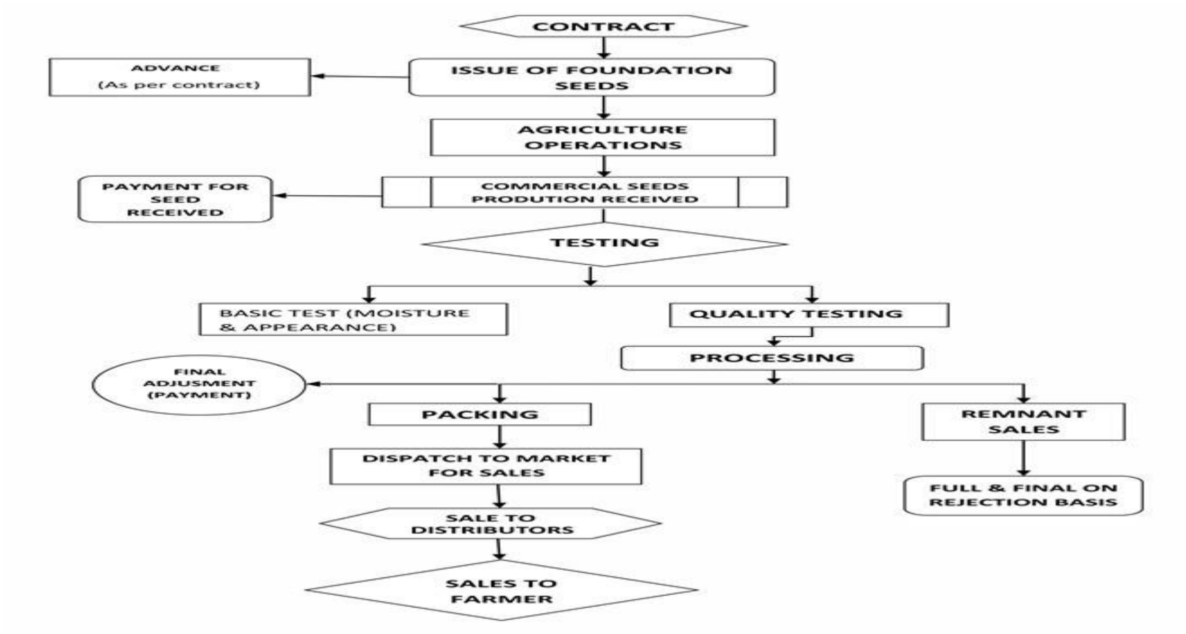
NOH 05 has an easy fruit visibility for harvesting. The product has lower incidence of sucking pest attack and is very efficient for pesticide spraying. It has a high tolerance to YVMV whereas it is also moderately tolerant to ELCV, hence resulting in good yield.

NCH-886 (Chilli)

NCH 886 is a product with good vigor and branching. It has an attractive green fruit color and good pungency. It also has a heavy fruit bearing. The fruit is very attractive with high yield.

Production and Processing

Below flow chart depicts our production and processing process:



Production and Processing facilities

We currently have 10 production centres and 2 processing centres in 7 states out of which the processing centre in Aurangabad is on land which is owned by us. Further, we have 11 research trial stations in 7 states out of 2 research trial stations are owned by our Company.

Quality assurance and control

Our Company believes in ensuring stringent quality parameters. At production stage, we ensure quality assurance by conducting regular on-site field visits. We also ensure regular agro-cultivation practices to maintain assured quality like ensuring proper plant spacing, irrigation, fertigation, weeding and adequate insecticidal sprays.

Further, the production is also tested for quality parameters like germination and grow-out test (GOT Test) and ELISA testing for cotton which is done at our Company's laboratory in Aurangabad processing centre.

Our Competition

Our Company's major competitors are Mahyco, Monsanto and its subsidiaries, Pro-Agro (a Bayer Crop Science subsidiary), Pioneer (a Dupont subsidiary), Syngenta, Kaveri seeds, Vibha Seeds, Ankur Seeds, Namdhari Seeds and Nunhums. In order to stay competitive, our Company continuously undertakes various research and development and product development activities, thereby constantly increasing our product portfolio. Further, we also ensure our market presence though our strong distributor network across the country thereby ensuring growth in sales. We also continuously interact with the farming community to ensure proper agro-cultivation activities thereby creating further demand for our products.

Infrastructure and utilities

Our processing facilities do not require major water utilization and our basic requirements are met through pumping of ground water. At our Aurangabad processing centre, we meet our electricity requirements by purchasing electricity from Maharashtra State Electricity Distributing Company Limited which has sanctioned connected load of 168 kW. Additionally, we have installed a DG set of 160 kVA at our Aurangabad processing centre.

For our processing centre at Munipally (Telangana) we meet our electricity requirements by purchasing electricity from Northern Power Distribution Company of Telangana Limited which has sanctioned contracted minimum demand of 166 kVA/HP and we have also installed a DG set.

Marketing and distribution

We believe that marketing represents the critical function that translates product competence, pricing and positioning into a marketplace. Our company has extensively invested in building its market presence by advertising through print media such as newspapers, pamphlets etc. and conducting road shows in villages to attract customers. In Fiscal 2017 our Company has incurred expenses amounting to ₹ 1134.74 lacs towards advertising expenses.

Intellectual Property

Our Company conducts its operations under various registered trademarks such as "*Express*", "*Loknath*", "*Kabir*", "*Win-Chi-Win*", "*Bhushan*" etc. We own nineteen registered trademarks for our products such as cotton, paddy, sunflower, wheat, maize, bajra and crop nutrient. Our Company's logo NATH SEEDS has been registered since the year 2010. We own and enjoy a trademark in respect of the slogan हर बीज खरा, शक्ति भरा. Additionally, we have made applications for registering six more trademarks for our products – cotton, paddy and mustard. We have also made applications for obtaining three copy rights for the name, '*Nath Fresh*'.

Manpower

As on December 31, 2018, we have a work force of 343 full-time employees. Below is break-up of our manpower details:

Particulars	No. of Employees
Senior Managerial Personnel	7
R&D	29
Production and Processing	143
Accounts and Finance	37
Marketing	87
Administration	40
TOTAL	**343**

Insurance

We maintain a number of insurance policies to cover the different risks related to our projects in accordance with the terms of our agreements and best practices. The insurance policies availed by us include standard fire and special perils, public liability non-industrial insurance policies against all consequential loss due to fire. Additionally, we have obtained workmen's compensation, marine cargo special declaration policy, money transit cover policy, group gratuity / personal accident policy, flexi floater group mediclaim policy, motor insurance policy. However, our insurance coverage may not adequately protect us against all material hazards as the policies may not be sufficient to cover all our economic losses. For further details, see the sub-section titled "*Risk Factors – Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability*." on page 36.

Properties

We own the premises on which our Registered Office is located. Further, we have 10 production centres and 2 processing centres in 7 states out of which the processing centre in Aurangabad is operated on land which is owned by us. Further, we have 11 research trial stations in 7 states out of which 2 research trial stations are owned by our

Company. Additionally, as part of its normal course of business, our Company enters into short term leases, leave and license agreements for setting up production and processing facilitates, offices, godowns and storage of raw materials, cold storage facilities, field research trials as required from time to time.

Corporate Social Responsibility

We believe that business priorities and social commitments are meant to coexist in harmony for upliftment and development of people and communities at large. Our Company's CSR initiatives in rural development would help elevate the quality of life of various farmers. Need-based training programs are conducted to further enhance the skills and knowledge of small and marginal farmers. Trainings on sustainable agricultural practices, soil and water conservation, pest management, use of fertilisers, are imparted.

As part of our CSR activities, our Company has been making systematic efforts at educating the farmers about the best agr0-cultivation practices which would result in better yield and minimal crop failure. Further, we also educate the farming community on the latest trends and technologies in the agriculture sector. We combine a judicious mix of technology, material and information with specific focus on agriculture.

In the future, we will continue to work on enhancing opportunities by disseminating information relevant to improving livelihood options among rural communities. We further plan to venture into healthcare, education and rural employment over a period of time.

KEY REGULATIONS AND POLICIES

The following description is a summary of relevant regulations and policies as prescribed by the Government of India, and other regulatory bodies that are applicable to our Company. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The description of laws and regulations set out below are not exhaustive, and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

A. Business Related Laws

The Seeds Act, 1966

The Seeds Act, 1966 (the "Seeds Act") regulates the quality of certain seeds for sale. The Central Government may set up a Central Seed Committee for the purpose of advising the Central Government and State Governments on matters arising out of the Seeds Act. After consultation with the committee, if the Central Government is of the opinion that it is necessary to regulate the quality of seed of any kind or variety to be sold for purposes of agriculture, it may, by notification in the official Gazette, declare such kind or variety to be a notified kind or variety for the purposes of this act The state government or the central government may by notification in the official gazette establish certification agency to grant certificate under section 9 for any person selling, keeping for sale, offering to sell, bartering or otherwise supplying any seed of any notified kind or variety. If any person contravenes any provision under the Seeds Act, then the person shall be punishable with fine which may extend to ₹ 500 for the first offence and for the second offence imprisonment for term which may extend to 6 months or fine which may extend to ₹ 1000, or with both under section 19 of the Seeds Act.

The Seeds (Amendment) Act, 1972, enables the Central Government to establish a Central Seed Certification Board, by notification in the official Gazette for advising the Central Government and the State Governments on all matters relating to certification and to co-ordinate the functioning of the agencies under the Seeds Act.

The Essential Commodities Act, 1955

The Essential Commodities Act, 1955 (the "Essential Commodities Act") provides for the regulations relating to production, supply, distribution, trade and commerce of the commodities that are declared as essential, for maintaining or increasing supplies of any essential commodity or for securing their equitable distribution and availability at fair prices. Fertilizers and heavy chemicals (whether organic or inorganic) are categorized as essential commodities under the Essential Commodities Act. The ministries/ departments of central government have issued control orders for regulating production, distribution, and quality aspects pertaining to the commodities which are essential and administered by them.

Maharashtra Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2009

It's an act to regulate the supply, distribution, sale and fixation of sale price of cotton seeds and for the matters connected therewith or incidental thereto. The act further provides the State government with the power to appoint a Controller who shall regulate and maintain the supply and distribution of cotton seeds in Maharashtra. The State government is also authorized to set up the State Seed Testing Laboratories to analyze cotton seeds and appoint Seed Inspectors to oversee the quality of cotton seeds being sold. Further, the Act prohibits persons from misbranding seeds and states that any person who contravenes orders issued by the Controller shall be penalized as per the prescribed provisions of the act.

The Seeds Rules, 1968

The Seeds Rules, 1968 (the "Seeds Rules") contain provisions pursuant to the Seeds Act. It contains provisions relating to certification, selling, fastening, dispatch and analysis of samples of seeds. The Certification Agency outlines the procedure for submission of applications and for growing, harvesting, processing, storage of seeds which are going to be certified. Certification of seeds ensures that the seed lots are of a certain variety and standard. For obtaining a certificate, the applicant must make an application in form I in line with the procedure outlined by the certification agency for submission of applications under rule 15 and thereafter the certificate is granted by the certification agency in form II under rule 17. The Seeds Rules requires each container to be marked or labelled when a seed of a notified kind or variety is offered for sale.

Maharashtra Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2010

The Rules state that every person desirous of conducting business in the sale of cotton seeds is required to apply for a license with the Controller. The Rules provide the process for application for the license, renewal of license, cancellation of license and the period of validity of the license. Additionally, the Rules also establish certain labelling standards for the seeds and the process in which the seeds storage of cotton seeds samplings. It also contains provisions to deal with complaints.

The Seeds (Control) Order, 1983

The Seeds (Control) Order, 1983 (the "Seeds Control Order") issued under the Essential Commodities Act necessitates every person carrying on the business of selling, exporting, or importing seeds to obtain a license. Provision 3(1) of the Seeds Control Order states that no dealer shall sell, export or import seeds in contravention to the terms and conditions of the license granted under the Seeds Control Order. As per provision 6, every license granted shall be valid for a period of three years from the date of its issue unless previously suspended or cancelled.

In order to obtain a license for selling exporting or importing of seeds, an application shall be made in duplicate in the prescribed form A along with the prescribed fee to the licensing authority under provision 4 and the licensing authority, if it thinks fit, grants a license in form B under provision 5. The license can be renewed by the holder of the license under provision 7 by making an application for renewal in form C together with a fee of ₹ 20.

Under the Seeds Control Order, every dealer is required to maintain books, accounts and records relating to his business as directed by the State Government. He shall also submit a monthly return relating to his business for the preceding month by the 5th day of every month.

Pursuant to the Seeds Control (Amendment) Order, 2006, every dealer of seeds in notified kind or variety or other than notified kind or variety of seeds shall ensure that the standards of quality of seeds claimed by him shall conform to the standards prescribed for the notified kind or variety of seeds under Section 6 of the Seeds Act, 1966 (54 of 1966) and any other additional standards relating to size, colour and content of the label as may be specified.

Cotton Seeds Price (Control) Order, 2015

Cotton Seeds Price (Control) Order ensure uniform regulation, across India, of the sale price of cotton seeds with the existing and future Genetic Modification (GM) technologies. The controller shall have the power to regulate the sale price of cotton seeds notified by the Central Government. It would be the role of the controller to advise the Central Government on regulation of sale of cotton seeds at notified Maximum Sale Price. It shall also provide licensing guidelines and format for the Genetic Modifications technology licensing agreement.

The National Seeds Policy, 2002

The Seeds Act, Seeds Control Order and the New Policy on Seeds Development, 1988 (the "New Policy on Seeds Development") form the basis of promotion and regulation of the Indian Seeds Industry. The New Policy on Seeds Development led to phenomenal development. The main objectives of the National Seeds Policy were to provide an appropriate climate for the seeds industry in order to utilize the available and prospective opportunities, protecting the interests of Indian farmers and the conservation of agro-biodiversity. The India seed programme under the National Seeds Policy aims to stimulate the rate of seed production. It also looks into the matters relating to assurance of the quality of the seeds produced, its marketing and distribution, and infrastructure facilities. With the financial support of NABARD, commercial and co-operative banks, the seed industry is getting a boost.

Various incentives are being provided to the domestic seed industry. Importation and exportation of seeds is also encouraged. The National Seeds Policy is said to double the food production of India.

New Policy on Seed Development, 1988

This policy aims to provide farmer the best planting material available in the world so as to increase productivity and thereby increasing farm income and export earnings. This policy covers the import of seeds of coarse cereals/ pulses/ oil seeds; vegetable and flower seeds; bulbs/tubers of flowers; cuttings/ saplings, etc, of flowers; and seeds and planting material of fruits. The import of seeds of coarse cereals/pulses/oil seeds is permitted for a period not exceeding two years by companies that have technical/financial collaboration with companies abroad, provided that the latter agree to supply parental lines/nucleus or breeder seed technology to the Indian firm within two years of first shipment of commercial consignment.

INTELLECTUAL PROPERTY LAWS

The Trademarks Act, 1999

Under the Trademarks Act, 1999 ("Trademarks Act"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

The Patents Act, 1999

The Patents Act, 1970, as amended from time to time, provides for grant of patents to protect the legal rights tied to intellectual property in inventions. A patent gives the holder of the patent the right to prevent others from exploiting the patented invention commercially in the country where the patents have been granted. In order for a patent to be granted to an invention, it must be novel, have an inventive step and should be capable of industrial application. The Patents Act sets out inventions that are not patentable along with the form and the manner of application for patents.

ENVIRONMENTAL LAWS

Water (Prevention and Control of Pollution) Act, 1974

Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act") aims to prevent and control water pollution. The Water Act provides for the constitution of a Central Pollution Control Board ("CPCB") and State Pollution Control Boards ("SPCBs").

The CPCB, constituted by the Central Government, performs scores of functions which comprise advising the Central Government in matters relating to prevention and management of water pollution, coordinating the activities of the SPCBs and resolving disputes among them, if any, taking care of the water pollution by organizing programmes through mass media, collecting data relating to water pollution and the stipulation of measures for the prevention and control of water pollution. The streams and wells are required to be maintained according to the standards prescribed by the CPCB. The SPCBs are in turn responsible for the planning of programs for the prevention and management of pollution of streams and wells, collecting and disseminating information relating to water pollution and its prevention and control, inspection of sewage or trade effluents, works and plants for their treatment and to review the specifications and data relating to plants set up for treatment and purification of water and laying down or annulling standards for treatment of trade effluents to be discharged. This legislation prohibits any person from establishing any industry, operation or process or any treatment and disposal system, which is likely to discharge trade effluents into a stream, well or sewer without the prior consent of the relevant SPCB.

Air (Prevention and Control of Pollution) Act, 1981

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act") envisages the prevention, control and abatement of air pollution, by the establishment of boards for conferring on and assigning to such boards powers and functions as prescribed under the Air Act. Pursuant to the provisions of the Air Act, as amended, no person shall establish or operate any industrial plant in an air pollution control area without the prior consent of the State Board. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the SPCBs. Any contravention to the provisions of the Air Act may lead to imprisonment of up to six years and a fine as may be deemed appropriate. The CPCB and the SPCBs constituted under the Water Act are to perform functions under the Air Act for the prevention and control of air pollution. The Air Act aims to prevent and control air pollution. It is mandated under the Air Act that no person may, without the prior consent of the relevant SPCB, establish or operate any industrial plant in an air pollution control area.

Hazardous Waste

There are several legislations that directly or indirectly deal with hazardous wastes. The relevant legislations are:

- The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
- The Public Liability Insurance Act, 1991

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008:

These rules require that the occupier and the operator of the facility, that treats hazardous wastes, must properly collect, treat, store or dispose the hazardous wastes without adverse effects on the environment.

Further, these rules provide for the proper management and handling of hazardous waste by regulating the collection, reception, treatment, storage and disposal of "hazardous wastes", which means categories of wastes specified in the Schedules. They shall not apply to waste-water and exhaust gases, wastes arising out of the operation from ships beyond five kilometers, radioactive wastes, bio-medical wastes and municipal solid wastes as covered under the prescribed provisions of the act.

LABOUR LAWS

Factories Act, 1948

Factories Act, 1948 ("Factories Act") regulates the provisions relating to labour in factories. The Factories Act defines a factory as any premises on which ten or more workers are employed or were employed on any day of the preceding twelve months and on which an electronic manufacturing process is carried on. Further, it also includes any premises on which twenty or more workers are employed or were employed on any day of the preceding twelve months and on which a manufacturing process is ordinarily carried on without the use of electricity. The applicant needs to submit the prior plans and obtain the approval of the respective State Government for the establishment, registration and licensing of factories. The provisions for the same are contained in the rules made by the respective State Governments.

The Factories Act defines occupier of a factory as the person who has ultimate control over the factory. In case of a company, any one of the directors shall be deemed to be the occupier. Fifteen days before the occupier begins to use the factory premises, he shall send a notice to the Chief Inspector in writing containing details of the factory (name and situation) and the occupier (name and address). The occupier is responsible for varied functions including the health, safety and welfare of the workers, maintenance of the plant and systems operating in the factory, safety and risk-free environment in relation to the use, handling, storage and transport of substances, monitoring the work environment. The Factories Act provides for provisions relating to health and safety, cleanliness and safe working conditions. Employment of women and children in the factories is prohibited under the Factories Act. Violations to any of the provisions of the Factories Act or the rules framed there under may lead to the imprisonment of the occupier or the manager of the factory for a term not exceeding two years and/or with a fine of ₹ 1,00,000 or both. If any continuing violation after conviction is observed, a fine of up to ₹ 1,000 per day of violation may be levied.

The Ministry of Labour and Employment proposes to amend the Factories Act, 1948 vide Office Memorandum dated June 5, 2014 wherein it is proposed to redefine the term "hazardous process" as a process in which a hazardous substance is used and the term "hazardous substance" would have the same meaning as assigned in the Environment Protection Act, 1986. An Occupier would now be required to take permission from the State Government for expansion of a factory within certain prescribed limits. Various safety precautions have been taken by the State Government to prevent persons to enter any confined space unless a written certificate has been given by a competent person and such person is wearing a suitable breathing apparatus. The occupier of a factory which is engaged in a hazardous process is required to inform the Chief Inspector within 30 days before the commencement of such process. An Inquiry Committee will be appointed by the Central Government to inquire into the standards of health and safety observed in the factory. The following is an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

- Payment of Gratuity Act, 1972
- Workmen's Compensation Act, 1923
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Contract Labour (Regulation and Abolition) Central Rules, 1971
- The Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("Act") and the schemes formulated there under
- Employees State Insurance Act, 1948
- The Industrial Employment (Standing Orders) Act, 1946
- The Minimum Wages Act, 1948
- The Payment of Bonus Act, 1965

TAXATION LAWS

The tax related laws that are applicable to our Company include the Central Goods and Services Tax Act, 2017, the Interstate Goods and Services Tax Act, 2017, various state goods and services tax legislations, the Income Tax Act, the Income Tax Rules, local body taxes in respective states and various applicable service tax notifications and circulars.

OTHER LAWS

The Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology Act, 2009 (the "Legal Metrology Act") was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and replaces the Standard of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology (Packaged Commodities) Rules, 2011(the "Legal Metrology Rules") were issued by the Central Government under the Legal Metrology Act. Under the Legal Metrology Act, every unit of weight or measure shall be in accordance with the metric system based on the international system of units. Using or keeping any weight or measure otherwise than in accordance with the provisions of the Legal Metrology Act is an offence, as is tampering or altering any reference standard, secondary standard or working standard. Pursuant to section 19 of the Legal Metrology Act, no person shall import any weight or measure unless he is registered with the Director in such manner and on payment of such fees, as may be prescribed. Further section 23 of the Act provides that no person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a license issued by the Controller. According to the Legal Metrology Rules, no person shall pre-pack or cause or permit to be pre-packed any commodity for sale, distribution or delivery unless a declaration is made on the package as required under the Legal Metrology Rules. Every manufacturer, packer and importer who pre-packs or imports any commodity for sale, distribution or delivery is required to be registered.

The Customs Act, 1962

The Customs Act, 1962 (the "Customs Act") contains provisions relating to customs. All the matters relating to customs are handled by the Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963. Under the Customs Act, goods cannot be taken by the importers without clearance. For this, all the importers are required to file a bill of entry or a cargo declaration containing all the particulars of the goods being imported with the appropriate authority. After registration of the bill of entry, it is forwarded to the concerned appraising group in the custom house. Following this, the assessment officer determines the amount of duty to be levied on the goods. It is important that the correct description is provided in the bill of entry as the goods are examined for verification. It is only after this that the importer can take the delivery of the goods.

Regulation of Foreign Investment in India

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") read with the applicable FEMA Regulations and the extant consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the current consolidated FDI Policy, effective from May 12, 2015, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (the "Consolidated FDI Policy"), which consolidates the policy framework on FDI, up to 100% FDI through the automatic route is permitted in sectors and activities not specifically restricted under the Consolidated FDI Policy. Therefore, our business is not subject to sectoral investment limits enumerated under the Consolidated FDI Policy.

Micro, Small and Medium Enterprises Development Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") is an act to provide for facilitating the promotion, development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish micro, small or medium enterprise shall file industrial entrepreneur memorandum (IEM) with the authority under section 8 of MSMED Act. After filing IEM to Government of India, it gives acknowledgment receipt in part I to the applicant and informs the Directorate of Industries. The acknowledgement receipt in part I is valid for 2 years and thereafter, immediately after commencement of commercial production, part B has to be filed.

Shops and Commercial Establishments Acts

Shops and Establishments Acts are state enactments being different for every state of India. The Act is intended for the regulation of conditions of work, number of days of leave and employment in shops, commercial establishments and other establishments. Every establishment not regulated/being under the purview of Factories Act, 1948 has to be registered under the respective state Shops and Establishments Act.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Overview

Our Board currently consists of six (6) Directors of which one (1) are Executive Directors, two (2) are Non – Executive Directors and three (3) are Independent Directors. Our Articles of Association provide that the number of directors shall not be less than three (3) or more than 15 (fifteen). Our senior management team is under the overall supervision and control of our Board, and is responsible for our day-to-day operations.

Board of Directors

The following table sets forth details regarding the Board of Directors as of the date of this Placement Document:

Sr. No.	Name, Designation, Address, Occupation, DIN, Term and Nationality	Age	Other Directorships
1.	**Nandkishor Laxminarayan Kagliwal** **Designation:** Chairman and Non-Executive Director **Address:** 1-B, Beacon, 140 Madam Cama Road, Nariman Point, Mumbai 400021, Maharashtra, India. **Occupation:** Business **DIN:** 01691691 **Term:** Liable to retire by rotation **Nationality**: Indian	71	1. Nath Industrial Chemical Limited; 2. Nath Bio-Technologies Limited; 3. Global Transgenes Limited; 4. Nath Royal Seeds Limited; 5. Nath Holding and Investments Private Limited 6. Dizzi Land Farms Private Limited; 7. Ferry fax Farms Private Limited 8. Pace Farms Private Limited; 9. Nath Nirman Infra Private Limited; 10. Paithan Mega Food Park Private Limited 11. Nath Research Foundation; 12. N Kagliwal Education & Research Foundation;
2.	**Satish Kagliwal** **Designation:** Managing Director **Address:** Pitambar Farms, Gut No.41, Golwadi, near Ryan School, Aurangabad 431005, Maharashtra, India. **Occupation:** Professional **DIN:** 00119601 **Term:** 5 years with effect from August 01, 2013 **Nationality:** Indian	60	1. Techindia Nirman Limited; 2. Nath Bio-Technologies Limited; 3. Agri-Tech (India) Limited; 4. Nath Royal Limited; 5. Nath Royal Seeds Limited; 6. Emrald Seeds Private Limited; 7. Paithan Mega Food Park Private Limited; 8. Arati Farms Private Limited; 9. Pitambar Farms Private Limited; 10. Ferry Fax Farms Private Limited; 11. Barkha Farms Private Limited; 12. Dizzi Land Farms Private Limited; 13. Tingli Finvest Private Limited; 14. Nath Research Foundation; 15. Seed Trade Association of Maharashtra Limited;

3.	**Sweta Akash Kagliwal** **Designation:** Non-Executive Director **Address:** Gut No. 79, Akash Farms, Behind Mahanubhav, Ashram Paithan Road, Itkheda, Aurangabad 431001, Maharashtra, India. **Occupation:** Business **DIN:** 02052811 **Term:** Liable to retire by rotation**.** **Nationality**: Indian **Nationality:** Indian	35	1. Techindia Nirman Limited 2. Agri-Tech (India) Limited
4.	**Shrirang Shrikishan Agrawal** **Designation:** Independent Director **Address:** House No. 27-1-19, Plot no.35, Bansilal Nagar, Aurangabad 431001, Maharashtra, India. **Occupation:** Service **DIN:** 00119681 **Term:**5 years with effect from August 08 , 2015 **Nationality**: Indian	70	1. Techinidia Nirman Limited; 2. Mayo (India) Limited; 3. Agri-Tech (India) Limited; 4. Global Transgenes Limited; 5. Tapovan Paper and Board Mills Limited; 6. Raasi Synthetics and Chemicals Limited; 7. Wexford Trading Company Private Limited; 8. Barkha Farms Private Limited; 9. Wellspring Enterprises Private Limited.
5.	**Kashinath Ganapathy Iyer** **Designation:** Independent Director **Address:** Flat No. B - 6, Shant Ganga Complex, Kranti Chowk, Aurangabad 431005, Maharashtra, India. **Occupation:** Professional **DIN:** 01195975 **Term:** 5 years with effect from August 08, 2015. **Nationality**: Indian	65	1. Techindia Nirman Limited; 2. Agri Tech (India) Limited; 3. Raasi Synthetics and Chemicals Limited; 4. Wexford Trading Company Private Limited 5. Tapovan paper and Board Mills Limited; 6. Paithan Mega Food Park Private Limited; 7. Wellspring Enterprises Private Limited 8. Tapovan International Trading Private Limited.

6.	**Omprakash Ramnarayan Sharma** **Designation:** Independent Director **Address:** House No E/45/04, N-5 Cidco, Aurangabad Cidco Colony, Aurangabad 431003, Maharashtra, India. **Occupation:** Business **DIN:** 01196266 **Term:** 5 years with effect from August 08, 2015. **Nationality**: Indian	68	1. Techindia Nirman Limited 2. Agri-Tech (India) Limited

Brief Profile of the Directors of our Company

Nandkishor Laxminarayan Kagliwal, aged 71, is the Promoter and Non-Executive Director Chairman of our Company. He holds a bachelor's degree in science (Hons.) from the Marathawada University, Aurangabad and a master's degree in Management studies from the University of Mumbai. He also hold a master's degree in Arts from the University of Nebraska. He has been appointed as an honorary commercial attache by the Nebraska department of economic development for promotion of International trade. He has been on the board of our Company since August 30, 1999.

Satish Kagliwal, aged 60, is the Managing Director of our Company. He holds a master's degree in management studies from the Birla Institute of technology and science. He has vast experience in agriculture sector. He has been on the board of our Company since August 30, 1999 and was appointed as our Managing Director with effect from August 01, 2013.

Sweta Akash Kagliwal, aged 35, is the Non-Executive Director on the Board of our Company. She holds a bachelor's degree in commerce from University of Mumbai and diploma in investment management from Birla Institute of Futuristic Studies, Kolkata. She was appointed as an additional director of our Company on March 30, 2015 and shortly after regularised as a Non-Executive Director on the Board of our Company with effect from August 8, 2015.

Shrirang Shrikishan Agrawal, aged 70 years, is an Independent Director on the Board of our Company. He holds a bachelor's degree in Commerce from Marathwada University, Aurangabad, Maharashtra. He was appointed as an additional director of our Company on March 30, 2015, and shortly after regularised as an Independent Director on the Board of our Company with effect from August 8, 2015.

Kashinath Ganapathy Iyer, aged 65 years, is an Independent Director on the Board of our Company. He holds a bachelor's degree in arts from University of Madras. He has an experience of in the field of paper and seeds industry. He was appointed as an Independent director of our Company on October 10, 2012.

Omprakash Ramnarayan Sharma, aged 68 years, is an Independent Director on the Board of our Company. He holds a bachelor's degree in commerce from Marathwada University, Aurangabad, Maharashtra. He was appointed as an additional director of our Company on May 30, 2015, and shortly after regularised as an Independent Director on the Board of our Company with effect from August 8, 2015.

Relationship with other Directors

Except as disclosed below, none of our Directors are related to each other.

Name of the Director	Relationship
Satish Kagliwal	Brother of Nandkishor Kagliwal
Nandkishor Kagliwal	Brother of Satish Kagliwal and Father in Law of Sweta Kagliwal
Sweta Akash Kagliwal	Daughter in Law of Nandkishor Kagliwal

Borrowing powers of the Board

The Company borrows money for the ordinary course of business, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of paid up capital and free reserves (not set apart for any specific purpose), provided that, the total amount up to which monies may be borrowed by the Board of Directors shall not exceed ₹ 250,00,00,000/- (Rupees Two hundred and fifty crores only), as per the resolution passed in Annual General Meeting of the Company held on July 05, 2014.

Interest of Directors

All of the Directors, other than the Executive Director of our Company shall be deemed to be interested to the extent of fees payable to them for attending the meetings of the Board or meetings of the Committees of the Board as well as to the extent of reimbursement of expenses payable to them. The Managing Director and the Executive Director(s) of our Company may be deemed to be interested to the extent of remuneration paid to them for services rendered as the officers of our Company.

All the Directors may be interested in our Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of such Equity Shares held by them. All Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, the companies, firms and trust, in which they are interested as directors, members, partners, or trustees or where the Equity Shares of the Company are held by the relatives of the Directors.

For details of related party transactions entered into by our Promoter, Promoter Group and Company during the two years preceding the date of this Placement Document, the nature of transactions and the cumulative value of transactions, see "*Related Party Transactions*" in the section *"Financial Statements"*

Shareholding of Directors

The following table sets forth the equity shareholding of the Directors in our Company as on September 30, 2017.

Name of the Director	Number of Equity Shares	Percentage of Total Number of outstanding Equity Shares
Satish Kagliwal	NIL	NIL
Nandkishor Kagliwal	146	0.00
Shrirang Agrawal	NIL	NIL
Kashinath Iyer	NIL	NIL
Omprakash Sharma	NIL	NIL
Sweta Akash Kagliwal	NIL	NIL

Terms of appointment of Directors:

Satish Kagliwal, Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on July 29, 2013 and by the members of our Company at its Annual General Meeting held on August 17, 2013, Satish Kagliwal was re-appointed as Managing Director of our Company for a period of 5 years with effect from August 01, 2013 along with the terms of remuneration. The details of his remuneration are as under.

Salary & Perquisites (Per Annum)	Amount (in ₹)
Basic Salary	12,00,000
Special Allowance	10,00,000
Other Allowance	7,50,000
Conveyance Allowance	25,000
Medical Allowance	25,000
Total	**30,00,000**

The remuneration paid by our Company to its Non-Executive Directors for the nine months' period ending December 31, 2017 and for the Fiscal 2017, 2016 and 2015 is stated below:

(₹ in lacs)

	Salary and Perquisites			
Name of Director	**For the period ended December 31, 2017**	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Satish Kagliwal	22.50	18.00	18.00	18.00

Non – Executive Directors' Sitting Fees

The Non -Executive Directors of our Company are paid sitting fees which is determined by the Board of Directors. Our Non -Executive Directors are entitled to receive a sitting fee of 5,000 for attending meetings of our Board.

The following table sets forth all sitting fees paid by our Company to the Non-Executive Directors for the nine month's period ending December 31, 2017 and for the Fiscal 2017, 2016 and 2015 is stated below:

(amount in ₹)

Name of Director	For the period ended December 31, 2017	Fiscal 2017	Fiscal 2016	Fiscal 2015
Nandkishor Kagliwal	15000	5850	1000	1750
Sweta Akash Kagliwal*	15000	5850	-	-
Shrirang Agrawal**	15000	5850	1750	1750
Kashinath Iyer	15000	5850	1750	1750
Omprakash Sharma***	15000	5850	750	-
Hitesh Rajnikant Purohit#	-	-	1750	1750
Promod Gupta##	-	-	1750	-
Pondicherry Ravendranath##	-	-	250	2500

**Appointment as an additional director with effect from March 30, 2015 and regularised on August 8, 2015.*
***Appointment as an additional director with effect from March 30, 2015 and regularised on August 8, 2015.*
****Appointment as an additional director with effect from March 30, 2015 and regularised on August 8, 2015.*
 # Ceased to be a director with effect from May 30, 2015.
Ceased to be a Nominee director on behalf of Arcil with effect from October 3, 2016.
Ceased to a be Nominee director on behalf of Arcil with effect from January 30, 2016.

Corporate Governance

Our Company has been complying with the requirements of applicable law, including the Companies Act, SEBI ICDR Regulations, Listing Regulations and other SEBI guidelines, in respect of corporate governance including constitution of the Board of Directors and committees thereof.

Regulation 17 of the Listing Regulations requires at least one – third of the Board of Directors to be independent directors if the chairman is a non-executive director and at least one – half of the Board of Directors to be independent directors in case the chairman is an executive director. We are in compliance with the corporate governance provision of the Listing Regulations which requires at least one woman director on our Board of Directors at all times. The corporate governance framework, *inter alia*, is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of committees of the Board, as required under law. The Board of Directors functions either as a full Board or through various committees constituted to oversee specific operational areas.

Committee of the Board of Directors

Our Company has in place adequate processes and systems for maintaining the corporate governance requirements and to ensure compliance with the Act for operational reasons to facilitate the decision making process. Our Company has been complying with the requirements of corporate governance under applicable law, including the Listing Regulations. Our Company has constituted various key committees such as :(i) Audit Committee, (ii) Nomination and Remuneration Committee, (iii) Stakeholders Relationship Committee, (iv) Risk Management Committee and (v) QIP Committee.

The main functions of the Committees are as follows:

i) Audit Committee

Our Audit Committee was constituted pursuant to resolution of our Board dated May 30, 2005 and pursuant to a resolution dated July 31, 2015 passed by the Directors of our Company, our Audit Committee was reconstituted. Our Audit Committee comprises of the following members:

Members	Designation
Kashinath Iyer	Chairman
Omprakash Sharma	Member
Satish Kagliwal	Member

ii) Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was constituted pursuant to resolution of our Board dated October 30, 2014 and pursuant to a resolution dated July 31, 2015 passed by the Directors of our Company, our Nomination and Remuneration Committee was reconstituted. Our Nomination and Remuneration Committee comprises of the following members:

Members	Designation
Kashinath Iyer	Chairman
Omprakash Sharma	Member
Nandkishor Kagliwal	Member

iii) Stakeholder Relationship Committee

Our Stakeholder Relationship Committee was constituted pursuant to resolution of our Board dated May 30, 2014 and pursuant to a resolution dated July 31, 2015 passed by the Directors of our Company, our Stakeholder Relationship Committee was reconstituted. Our Stakeholder Relationship Committee comprises of the following members:

Members	Designation
Kashinath Iyer	Chairman
Omprakash Sharma	Member
Satish Kagliwal	Member

iv) Risk Management Committee

Our Risk Management Committee was constituted pursuant to resolution dated October 30, 2014 passed by the Directors of our Company, our Risk Management Committee was reconstituted. Our Risk Management Committee comprises of the following members:

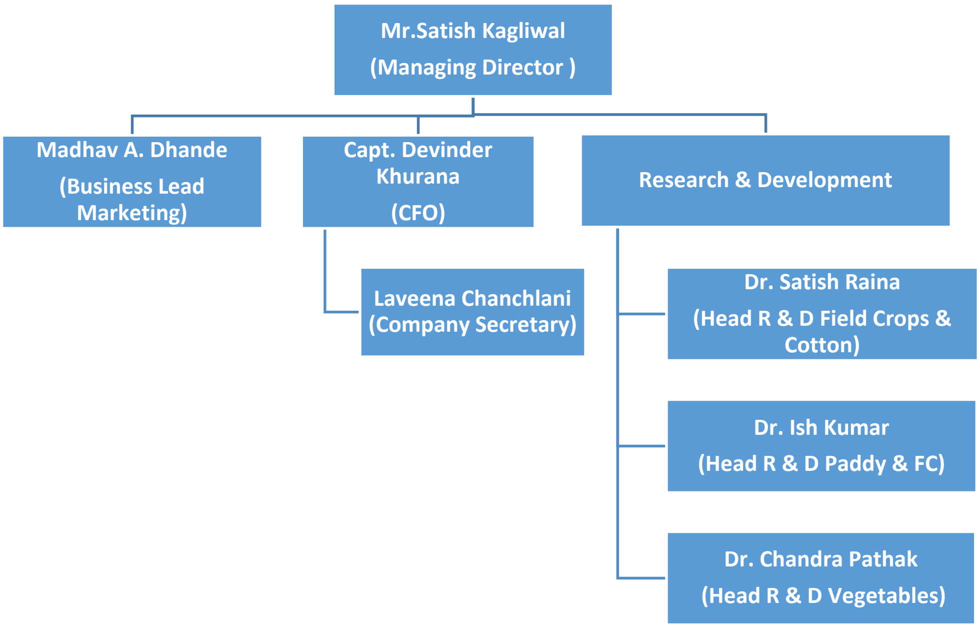
Members	Designation
Nandkishor Kagliwal	Chairman
Satish Kagliwal	Member
Mr. Sunil Dixit	Member

v) QIP Committee

Our Fund Raising Committee was constituted pursuant to resolution of our Board dated December 8, 2017. Our QIP Committee comprises of the following members:

Members	Designation
Satish Kagliwal	Chairman
Shrirang Agrawal	Member
Sweta Akash Kagliwal	Member

ORGANIZATION STRUCTURE



Senior Managerial Personnel

For brief details of our Managing Director, Satish Kagliwal, please refer to the paragraph titled *'Brief Profile of the Directors' in the chapter titled "Board of Directors and Senior Management"* on page 120.

Below are the brief details of the Senior Managerial Personnel of our Company:

Capt. Devinder Khurana, aged 59, is the Chief Financial Officer of our Company. He holds a bachelor's degree in science from the Jawaharlal Nehru University, New Delhi. He is a certified associate of the Indian institute of Bankers and accredited as a chartered financial analysts by the Institute of Chartered Financial Analysts of India. He started his career in Indian Army and retired as a Captain in the year 1988. He has been associated with our Company since August 1, 1996 and was elevated to his current position on May 30, 2015 being responsible for looking after financial affairs of the Company. Prior to joining our company, he was associated with State Bank of India.

Madhav A. Dhande, aged 64, is the Business Lead of our Company. He holds Master of Science in Entomology from PKV Akola University. He has experience in the seed industry. He has been associated with our Company since July 28, 2016 and was elevated to his current position on December 16, 2017 being responsible for looking after marketing strategies of the Company. Prior to joining our company, he was associated with Krishidhan Seeds Private limited.

Dr. Satish Raina, aged 70, is the Head of Research and Development (Field Crops & Cotton)**.** He holds a Ph.D. in Botany from Agra University. He is a fellow of the Indian National Science Academy and National Academy of Agricultural Sciences. He has received an award for excellence in Agricultural Sciences from Association of Biotechnology Led Enterprises (ABLE). He has been associated with our Company since September 1, 2004 and was elevated to his current position being responsible for research and development of the field crops and cotton sector of the Company. Prior to joining our company, he was a professor with National Research center on Plant Biotechnology, New Delhi and was also associated with International Rice Research Institute, Philippines.

Dr. Ish Kumar, aged 72, is the Head of Research and Development (Paddy). He holds a Bachelor's degree in science (agricultural and animal husbandry) from Punjab Agricultural University and a master's degree in science from Punjab Agricultural University as well as a Ph.D in philosophy from Punjab Agricultural University. He is an agro-scientist with vast experience in seed research. He has been associated with our Company since August 16, 2017 and is responsible for research and development for the paddy sector of the Company including overseeing research, breeding of paddy, corn, pearl millet, wheat and mustard. Prior to joining our company, he has associated with Rasi Seeds (P) Limited.

Dr. Chandra Pathak, aged 71**,** is the Head of Research and Development (Vegetable). He holds a Bachelor's degree in science from Lucknow University and a master's degree in science (botany) from Lucknow University as well as a Ph.D. in philosophy from Lucknow University. He is an agro-scientist with vast experience in seed research. He has been associated with our Company since January 1, 2017 and is responsible for research and development of Vegetables. Prior to joining our company, he has associated with institutions like Indian Institute of Horticultural research, Bangalore (IIHR), Asian Vegetable Research and Development Center, Taiwan (AVRDC), Seminis Vegetable Seeds (India) Limited and Global Transgenes Limited.

Laveena Chanchlani, aged 29, is the Company Secretary and Compliance Officer of our company. She holds a bachelor's degree in Commerce from Mumbai University and a bachelor's degree in law from Mumbai University. She is a member of the Institute of Company Secretary of India. She is responsible for secretarial affairs and ensuring compliance with various regulatory requirements applicable to our Company. She has been associated with our company since October 1, 2012.

Relationship with the Directors and other senior managerial personnel

None of our senior managerial personnel are related to the directors or with each other.

Interests of Senior Managerial Personnel

The senior managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment.

Employees' Stock Option Plan

Our Company does not have any Employees' Stock Option Plan as on date of this Placement Document.

Loans to Senior Managerial Personnel

As on the date of this Placement Document, there are no amounts which are due to our Company, from any of its Directors or Senior Managerial Personnel in the nature of loans and advances. Our Company has not given any guarantees in favor of any Director or any member of our Senior Managerial Personnel.

Payment or Benefit to Directors and Senior Managerial Personnel of our Company

The perquisites and allowances that may be payable to the Directors are in accordance with the Companies Act, 2013. The perquisites and allowances that may be payable to the senior managerial personnel of our Company are in accordance with our Company's human resources policies. Except as disclosed above, our Directors and senior managerial personnel are not entitled to any other non-salary related amount or benefit.

Related party transactions

Related party Transactions entered by our Company during the last three Financial Years are determined in accordance with Accounting Standard 18 / Ind AS 24 issued by the ICAI. For further details, see the section "*Financial Statements*" on page 176.

Policy on disclose and internal procedure for prevention of insider trading

Regulation 12(1) of the SEBI Prohibition of Insider Trading Regulation applies to our Company and its employees and requires our Company to implement a code of internal procedures and conduct for the prevention of insider trading. Our Company has implemented a code of conduct for prevention of insider trading in accordance with the SEBI Prohibition of Insider Trading Regulations.

Other Confirmations

Except as stated above in "Interest of our Directors" and "Interests of Senior Managerial Personnel", none of our Directors or any Senior Management of our Company has any financial or other material interest in this Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

PRINCIPAL SHAREHOLDERS

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the Listing Regulations, as on December 31, 2017:

Category of Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of shares pledged or otherwise encumbered		No. of equity shares held in dematerialized form
					No.(a)	As a % of total shares held (b)	
(A) Promoter and Promoter Group	15	77,19,766	77,19,766	48.24	64,61,287	83.70	77,19,766
(B) Public	27,181	82,84,234	82,84,234	51.76		0.00	76,62,860
(C1) Shares underlying DRs				0.00		0.00	
(C2) Shares held by Employee Trust				0.00		0.00	
(C) Non-Promoter Non Public				0.00		0.00	
Grand Total	**27,196**	**1,60,04,000**	**1,60,04,000**	**100.00**	**64,61,287**	**40.37**	**1,53,82,626**

Note: C=C1+C2
Grand Total=A+B+C

Summary statement shareholding pattern of Promoter and Promoter Group

Category of Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of shares pledged or otherwise encumbered		No. of equity shares held in dematerialized form
					No.(a)	As a % of total shares held (b)	
(A1) Indian				0.00		0.00	
Individuals/Hindu Undivided family	2	439	439	0.00		0.00	439
Nandkishor Laxminarayan Kagliwal	1	146	146	0.00		0.00	146
Jeevanlata Nandkishor Kagliwal	1	293	293	0.00		0.00	293
Any other (specify)	13	77,19,327	77,19,327	48.23	64,61,287	83.70	77,19,327
Ferry Fax Farms Private Limited	1	3,08,644	3,08,644	1.93	1,50,000	48.60	3,08,644

Category of Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of shares pledged or otherwise encumbered		No. of equity shares held in dematerialized form
					No.(a)	As a % of total shares held (b)	
Nath Biotechnologies Limited	1	1,01,200	1,01,200	0.63	1,00,000	98.81	1,01,200
Barkha Farms Private Limited	1	3,54,030	3,54,030	2.21		0.00	3,54,030
Nath Royal Ltd	1	4,62,132	4,62,132	2.89	4,62,000	99.97	4,62,132
Tingli Finvest Private Limited	1	5,70,000	5,70,000	3.56	5,70,000	100.00	5,70,000
Prabha Farms Private Limited	1	50,271	50,271	0.31	50,000	99.46	50,271
Paresh Farms Private Limited	1	374	374	0.00		0.00	374
Pitambhar Farms Private Limited	1	2,50,000	2,50,000	1.56	1,46,400	58.56	2,50,000
Ashu Farms Private Limited	1	20,88,449	20,88,449	13.05	18,50,000	88.58	20,88,449
Akash Farms Private Limited	1	18,38,877	18,38,877	11.49	15,83,640	86.12	18,38,877
Arati Farms Private Limited	1	2,00,000	2,00,000	1.25	2,00,000	100.00	2,00,000
Agri Tech India Limited	1	14,95,131	14,95,131	9.34	13,99,247	93.59	14,95,131
Jeevaninestment & Finance Private Limited	1	219	219	0.00		0.00	219
Sub Total A1	15	77,19,766	77,19,766	48.24	64,61,287	83.70	77,19,766
A2) Foreign				0.00		0.00	
A=A1+A2	**15**	**77,19,766**	**77,19,766**	**48.24**	**64,61,287**	**83.70**	**77,19,766**

Statement showing shareholding pattern of the Public shareholder

Category & Name of the Shareholder	Nos. of shareholder	No. of fully paid up equity shares held	Total no. of shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of voting rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form (Not Applicable)
B1) Institutions	0	0		0.00		0.00	
Mutual Funds/	10	2200	2,200	0.01	2,200	0.01	264
Foreign Portfolio Investors	2	25001	25,001	0.16	25,001	0.16	25,001
Financial Institutions/Banks	5	22336	22,336	0.14	22,336	0.14	22,336
Any other (specify)	1	550	550	0.00	550	0.00	
Sub Total B1	18	50087	50,087	0.31	50,087	0.31	47,601
B2) Central Government/ State	0	0		0.00		0.00	

Category & Name of the Shareholder	Nos. of shareholder	No. of fully paid up equity shares held	Total no. of shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of voting rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form (Not Applicable)
Government(s)/ President of India							
B3) Non-Institutions	0	0		0.00		0.00	
Individual share capital upto ₹ 2 Lacs	26093	4132489	4132489	25.82	41,32,489	25.82	36,18,913
Individual share capital in excess of ₹ 2 Lacs	34	2114088	21,14,088	13.21	21,14,088	13.21	20,08,776
Alpana S Dangi	1	504000	5,04,000	3.15	5,04,000	3.15	5,04,000
NBFCs registered with RBI	2	945	945	0.01	945	0.01	945
Any Other (specify)	1034	1986625	19,86,625	12.41	19,86,625	12.41	19,86,625
Clearing Members	140	210808	2,10,808	1.32	2,10,808	1.32	2,10,808
NRI – Non- Repat	67	24694	24,694	0.15	24,694	0.15	24,694
NRI	232	250148	2,50,148	1.56	2,50,148	1.56	2,50,148
NRI – Repat	21	6242	6,242	0.04	6,242	0.04	6,242
Mentor Capital Limited	1	218457	2,18,457	1.37	2,18,457	1.37	2,18,457
Bodies Corporate	573	1493853	14,93,853	9.33	14,93,853	9.33	14,93,853
Overseas corporate bodies	1	880	880	0.01	880	0.01	880
Sub Total B3	27163	8234147	82,34,147	51.45	82,34,147	51.45	76,15,259
B=B1+B2+B3	**27181**	**8284234**	**82,84,234**	**51.76**	**82,84,234**	**51.76**	**76,62,860**

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the application, payment, Allocation and Allotment of the Equity Shares to be issued pursuant to the Issue. The procedure followed in the Issue may differ from the one mentioned below, and investors are presumed to have apprised themselves of the same from our Company or the Book Running Lead Manager. Investor is advised to inform themselves of any restrictions or limitations that may be applicable to them. See the sections "Selling Restrictions" and "Transfer Restrictions" beginning on pages 145 and 151, respectively.

Qualified Institutions Placement

The Issue is being made to QIBs in reliance upon Chapter VIII of the ICDR Regulations and Section 42 of the Companies Act, 2013, through the mechanism of a QIP. Under Chapter VIII of the ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company may issue equity shares to QIBs provided that certain conditions are met by our Company. Certain of these conditions are set out below:

- the shareholders of the issuer have passed a special resolution approving such QIP. Such special resolution must specify (a) that the allotment of securities is proposed to be made pursuant to the QIP; and (b) the relevant date;

- equity shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognised stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the above-mentioned special resolution;

- the aggregate of the proposed issue and all previous QIPs made by the issuer in the same financial year does not exceed five times the net worth (as defined in the ICDR Regulations) of the issuer as per the audited balance sheet of the previous financial year;

- the issuer shall be in compliance with the minimum public shareholding requirements set out in the SCRR;

- the issuer shall have completed allotments with respect to any prior offer or invitation made by the issuer or shall have withdrawn or abandoned any prior invitation or offer made by the issuer;

- the issuer shall offer to each Allottee at least such number of the securities in the issue which would aggregate to at least ₹ 20,000 calculated at the face value of the securities;

- the offer must be made through a private placement offer letter and an application form serially numbered and addressed specifically to the QIB to whom the offer is made and is sent within 30 days of recording the names of such QIBs;

- the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the issue is prohibited

At least 10% of the equity shares issued to QIBs must be allotted to Mutual Funds, provided that, if this portion or any part thereof to be allotted to mutual funds remains unsubscribed, it may be allotted to other QIBs.

Prospective purchasers will be deemed to have represented to us and the Book Running Lead Manager in order to participate in the Issue that they are outside the United States and purchasing the Equity Shares in an offshore transaction in accordance with Regulation S and the applicable laws of the jurisdictions where those offers and sales occur.

Bidders are not allowed to withdraw their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class of the Equity Shares of the Issuer quoted on the stock exchange during the two weeks preceding the Relevant Date. However, a discount of up to 5% of the Floor Price is permitted in accordance with the provisions of the ICDR Regulations.

The “Relevant Date” referred to above, for Floor Price, will be the date of the meeting in which the Board of Directors decides to open the Issue and “stock exchange” means any of the recognised stock exchanges in India on which the equity shares of the issuer of the same class are listed and on which the highest trading volume in such equity shares has been recorded during the two weeks immediately preceding the Relevant Date.

Our Company has applied for and received the in-principle approval of the Stock Exchanges under regulation 28(1) of the Listing Regulations for the listing of the Equity Shares on the Stock Exchanges. Our Company has also delivered a copy of the Preliminary Placement Document to the Stock Exchanges and hosted on our Company’s website.

Our Company shall also make the requisite filings with the RoC and SEBI within the stipulated period as required under the Companies Act, 2013, as amended and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

The Issue has been authorized by (i) the Board pursuant to a resolution passed on December 8, 2017, and (ii) the shareholders of our Company *vide* a special resolution passed at the Extra-ordinary General Meeting held on January 5, 2018.

The Equity Shares will be Allotted within 12 months from the date of the shareholders’ resolution approving the QIP and within 60 days from the date of receipt of subscription money from the successful Bidders. For details of refund of application money, please see the section *“Issue Procedure – Pricing and Allocation – Designated Date and Allotment of Equity Shares”* beginning on page 132.

The Equity Shares issued pursuant to the QIP must be issued on the basis of the Preliminary Placement Document and this Placement Document that shall contain all material information including the information specified in Schedule XVIII of the ICDR Regulations and the requirements prescribed under Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select investors through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to QIBs and no offer is being made to the public or to any other category of investors.

The minimum number of allottees for each QIP shall not be less than:

two, where the issue size is less than or equal to ₹ 25,000 Lacs; and

five, where the issue size is greater than ₹ 25,000 Lacs

No single allottee shall be allotted more than 50% of the issue size.

QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee. For details of what constitutes “same group” or “common control”, please see the section *“Issue Procedure—Application Process—Application Form”* beginning on page 132.

Securities allotted to a QIB pursuant to a QIP shall not be sold for a period of one year from the date of allotment except on the floor of a recognised stock exchange in India. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For a description of the selling restrictions in certain other jurisdictions, see *"Selling Restrictions"* beginning on page 145. The Equity Shares are transferable only in accordance with the restrictions described in the section titled *"Transfer Restrictions"* beginning on page 151.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. Our Company and BRLM had circulated serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to the QIBs and the Application Form will be specifically addressed to such QIBs. In terms of Section 42(7) of the Companies Act, 2013, our Company shall maintain complete records of the QIBs to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC and SEBI within the stipulated time period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

2. Unless a serially numbered Placement Document along with the serially numbered Application Form is addressed to a particular QIB, no invitation to subscribe shall be deemed to have been made to such QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Bidders shall submit Bids for, and our Company shall issue and Allot to each Allottee at least such number of Equity Shares which would aggregate to ₹20,000 calculated at the face value of the Equity Shares.

4. QIBs may submit an Application Form, including any revisions thereof, during the Bidding Period to the BRLM.

5. Bidders will be required to indicate the following in the Application Form:

   - name of the QIB to whom Equity Shares are to be Allotted;

   - number of Equity Shares Bid for;

   - price at which they are agreeable to subscribe for the Equity Shares, provided that QIBs may also indicate that they are agreeable to submit a Bid at "Cut-off Price"; which shall be any price as may be determined by our Company in consultation with the Book Running Lead Manager at or above the Floor Price or a price with not more than 5% discount on the Floor Price in terms of Regulation 85 of the ICDR Regulations;

   - details of the depository participant account to which the Equity Shares should be credited; and

   - a representation that it is outside the United States, at the time it places its buy order for the Equity Shares, it is acquiring the Equity Shares in an offshore transaction in reliance on Regulation S and it has agreed to certain other representations set forth in *"Representation by Investors"* and *"Transfer Restrictions"* on pages 4 and 151, respectively and certain other representations made in the Application Form.

   - if you are not a resident of India, then the investment amount will be paid out of inward remittance of 136 foreign exchange received through normal banking channels and as per RBI's notification no. FEMA 20/2000 – RB dated May 3, 2000, as amended from time to time; and

   - SEBI registration number, if applicable;

- for Systematically Important NBFCs following documents shall be enclosed with the application (i) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) Networth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements.

Note: Each sub-account of an FII other than a sub-account which is a foreign corporate or a foreign individual will be considered as an individual QIB and separate Application Forms would be required from each such sub-account for submitting Bids. FIIs or sub-accounts of FIIs are required to indicate SEBI FII/ sub-account registration number in the Application Form.

6. Once a duly completed Application Form is submitted by a QIB, such Application Form constitutes an irrevocable offer and cannot be withdrawn after the Issue Closing Date. The Issue Closing Date shall be notified to the Stock Exchanges and the QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI. Upon receipt of the duly completed Application Form, after the Issue Closing Date, our Company shall determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue in consultation with the Book Running Lead Manager. Upon determination of the final terms of the Equity Shares, the Book Running Lead Manager will send the serially numbered CAN along with the Placement Document, either in electronic form or through physical delivery, to the QIBs who have been Allocated the Equity Shares. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the QIBs to pay the entire Issue Price for all the Equity Shares Allocated to such QIB. The CAN shall contain details such as the number of Equity Shares Allocated to the QIB and payment instructions including the details of the amounts payable by the QIB for Allotment of the Equity Shares in its name and the Pay-In Date as applicable to the respective QIB. Please note that the Allocation will be at the absolute discretion of our Company and will be based on the recommendation of the Book Running Lead Manager and may not be proportionate to the number of Equity Shares applied for.

8. Pursuant to receiving a CAN, each successful Bidder shall be required to make the payment of the entire application monies for the Equity Shares indicated in the CAN at the Issue Price, only through electronic transfer to our Company's designated bank account by the Pay-In Date as specified in the CAN sent to the respective successful Bidder. No payment shall be made by successful Bidder in cash. Please note that any payment of application money for the Equity Shares shall be made from the bank accounts of the relevant QIBs applying for the Equity Shares. Monies payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the application. Pending Allotment, all monies received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013.

9. Upon receipt of the application monies from the QIBs, our Company shall Allot Equity Shares as per the details in the CANs sent to the successful Bidder.

10. After passing the resolution for Allotment and prior to crediting the Equity Shares into the depository participant accounts of the successful Bidders, our Company shall apply to the Stock Exchanges for listing approvals. Our Company will intimate to the Stock Exchanges the details of the Allotment.

11. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the Depository Participant accounts of the respective Allottees.

12. Our Company will then apply for the final trading approvals from the Stock Exchanges.

13. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

14. Upon receipt of intimation of final trading and listing approval from the Stock Exchanges, our Company shall inform the Allottees of the receipt of such approval. Our Company and the Book Running Lead Manager shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Final listing and trading approvals granted by the Stock Exchanges are also placed on their respective websites. QIBs are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Qualified Institutional Buyers

Only QIBs as defined in Regulation 2(1)(zd) of the ICDR Regulations and not otherwise excluded pursuant to Regulation 86(1)(b) of the ICDR Regulations are eligible to invest. Currently, under Regulation 2(1)(zd) of the ICDR Regulations, a QIB means:

- alternate investment funds registered with SEBI
- Eligible FPIs including FIIs and eligible sub-accounts;
- foreign venture capital investors registered with SEBI;
- insurance companies registered with Insurance Regulatory and Development Authority;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds registered with SEBI;
- pension funds with minimum corpus of ₹2,500 Lacs;
- provident funds with minimum corpus of ₹2,500 Lacs;
- public financial institutions as defined in Section 4A of the Companies Act, 1956 (Section 2(72) of the Companies Act, 2013);
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- foreign venture capital funds registered with SEBI; and
- Systematically important non – banking financial companies (being a non-banking financial companies registered with the RBI and having a net worth of more than ₹ 5,000 lacs as per the last audited financial statements).

FIIs (other than a sub-account which is a foreign corporate or a foreign individual) and Eligible FPIs are permitted to participate through the portfolio investment scheme under Schedule 2 and Schedule 2A of FEMA 20 respectively, in this Issue. FIIs and Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard.

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) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA 20, the total holding by each FPI shall be below 10% 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 sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the shareholders of our Company.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

An 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 sub-account (other than a sub-account which is a foreign corporate or a foreign individual) may 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. If the registration of an FII or sub-account has expired or is about to expire, such FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue. An FII or sub-account shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

The FPI regime has come into effect from June 1, 2014. FPI's investing in this Issue should ensure that they are eligible under the applicable law or regulation to apply in this Issue.

Other than Eligible FPIs participating in the Issue under Schedule 2 of the FEMA 2017, no other non-resident QIBs including FVCIs, multilateral and bilateral development financial institutions are permitted to participate in the Issue.

All non – resident QIBs shall ensure that the investment amount is paid as per RBI Notification no. FEMA 20(R)/2017 – RB dated November 7, 2017.

Under Regulation 86(1)(b) of the ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, or any person related to, the Promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoter:

- rights under a shareholders' agreement or voting agreement entered into with the Promoter or persons related to the Promoter;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that a QIB which does not hold any shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

Our Company and the Book Running Lead Manager are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the Takeover Code.

Note: Affiliates or associates of the Book Running Lead Manager who are QIBs may participate in the Issue in compliance with applicable laws.

Application Process

Application Form

QIBs shall only use the serially numbered Application Forms (which are addressed to them) provided by our Company and the Book Running Lead Manager in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Placement Document, the QIB will be deemed to have made the following representations and warranties and the representations, warranties and agreements made under the sections *"Representations by Investors"*, *"Selling Restrictions"* and *"Transfer Restrictions"* beginning on pages 4, 145 and 151, respectively:

1. The QIB confirms that it is a QIB in terms of Regulation 2(1)(zd) of the ICDR Regulations and is not excluded under Regulation 86 of the ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. The QIB confirms that it is not a Promoter and is not a person related to the Promoter, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or Promoter Group or persons related to the Promoter;

3. The QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter or persons related to the Promoter, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoter;

4. The QIB acknowledges that it has no right to withdraw its Application after the Issue Closing Date;

5. The QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;

6. The QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;

7. The QIB confirms that its Bids would not eventually result in triggering a tender offer under the Takeover Code;

8. The QIB confirms that to the best of its knowledge and belief, the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue Size. For the purposes of this representation:

    - The expression 'belong to the same group' shall derive meaning from the concept of 'companies under the same group' as provided in sub-section (11) of Section 372 of the Companies Act, 1956; and
    - 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the Takeover Code;

9. The QIBs shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

10. The QIB represents that it is outside the United States and is acquiring the Equity Shares in an offshore transaction in reliance on Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form.

QIBS MUST PROVIDE THEIR DEPOSITORY ACCOUNT DETAILS, PAN, THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. FOR THIS PURPOSE, ELIGIBLE SUB ACCOUNTS OF AN FII WOULD BE CONSIDERED AS AN INDEPENDENT QIB.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above.

The submission of an Application Form by a QIB shall be deemed a valid, binding and irrevocable offer for the QIB to pay the entire Issue Price for the Equity Shares (as indicated by the CAN) and becomes a binding contract on the QIB upon issuance of the CAN by our Company in favour of the QIB.

Bids by Mutual Funds

The bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. Each scheme/fund of a mutual fund registered with SEBI, will have to submit separate Application Form.

Each mutual fund will have to submit separate Application Forms for each of its participating schemes. Such applications will not be treated as multiple bids provided that the bids clearly indicate the scheme for which the bid has been made. However, for the purpose of calculating the number of allotters/applicants, various schemes of the same mutual fund will be considered as a single allottee/applicant.

Bids by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI (i) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) networth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/ CFD/ DIL/ 1/ 2011 dated April 29, 2011, all applicants who are QIBs, Non-Institutional Investors or are applying in the Issue for Equity Shares for an amount exceeding ₹2 Lakhs shall mandatorily make use of ASBA facility, subject to their fulfilling the eligibility conditions to be an ASBA Investor. Further, all QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹2 Lakhs subject to their fulfilling the eligibility conditions to be an ASBA Investor.

The above information is given for the benefit of the Bidders. We and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of this Placement Document. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under the applicable laws and regulations.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for. All Application Forms duly completed along with payment and a copy of the PAN card or PAN allotment letter shall be submitted to the Book Running Lead Manager either through electronic form or through physical delivery at the following address:

Name	Address	Contact Person	Contact Details
Prime Securities Limited	1109 / 1110, Maker, Chambers V, Nariman Point, Mumbai – 400 021, Maharashtra, India	Vineet Suri/ Apurva Doshi / Rachit Goel	**Telephone:** +91– 22 –6184 2525 **Fax**: +91– 22 – 2497 0777 **Email:** projectgenesis@primesec.com

The Book Running Lead Manager shall not be required to provide any written acknowledgement of receipt of the Application Form.

Permanent Account Number or PAN

Each QIB should mention its PAN allotted under the IT Act in the Application Form. The copy of the PAN card or PAN allotment letter is required to be submitted with the Application Form. Applications without this information will be considered incomplete and are liable to be rejected. QIBs should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Pricing and Allocation

Build-up of the Book

The QIBs shall submit their Bids (including the revision of bids) within the Bidding Period to the Book Running Lead Manager. Such Bids cannot be withdrawn after the Issue Closing Date. The book shall be maintained by the Book Running Lead Manager.

Price Discovery and Allocation

Our Company, in consultation with the Book Running Lead Manager, shall determine the Issue Price, which shall be at or above the Floor Price. However, our Company may offer a discount of not more than five % on the Floor Price in terms of Regulation 85 of the ICDR Regulations.

After finalization of the Issue Price, our Company shall update this Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Manager on a discretionary basis and in compliance with Chapter VIII of the ICDR Regulations. Bids received from the QIBs at or above the Issue Price shall be grouped together to determine the total demand.

The Allocation to all such QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10 % of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL QIBS. QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGER IS OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on the Application Forms received, our Company, in consultation with the Book Running Lead Manager, in their sole and absolute discretion, shall decide the successful Bidder to whom the serially numbered CAN shall be sent, pursuant to which the details of the Equity Shares Allocated to them and the details of the amounts payable for Allotment of such Equity Shares in their respective names shall be notified to such successful Bidder. Additionally, the CAN will include details of the relevant Escrow Cash Account into which such payments would need to be made, address where the application money needs to be sent, Pay-In Date as well as the probable designated date, being the date of credit of the Equity Shares to the respective successful Bidder’s account.

The successful Bidders would also be sent a serially numbered Placement Document either in electronic form or by physical delivery. The dispatch of the serially numbered CAN to the QIBs shall be deemed a valid, binding and irrevocable contract for the QIB to furnish all details that may be required by Company and the Book Running Lead Manager and to pay the entire Issue Price for all the Equity Shares Allocated to such QIB.

QIBS ARE ADVISED TO INSTRUCT THEIR DEPOSITORY PARTICIPANT TO ACCEPT THE EQUITY SHARES THAT MAY BE ALLOTTED TO THEM PURSUANT TO THE ISSUE.

Bank Account for Payment of Application Money

Our Company has opened the “*Nath Bio-Genes (India) Limited – QIP Escrow Account*” with IDBI Bank Limited in terms of the arrangement among our Company, the Book Running Lead Manager and IDBI Bank Limited as escrow bank. The QIB will be required to deposit the entire amount payable for the Equity Shares Allocated to it by the Pay-In Date as mentioned in, and in accordance with, the respective CAN.

Payments are to be made only through electronic fund transfer.

Note: Payments through cheques are liable to be rejected.

If the payment is not made favoring "*Nath Bio-Genes (India) Limited – QIP Escrow Account*" within the time stipulated in the CAN, the Application Form and the CAN of the QIB are liable to be cancelled. Pending Allotment, our Company undertakes to utilise the amount deposited in "*Nath Bio-Genes (India) Limited – QIP Escrow Account*" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) refund of application money if our Company is not able to Allot Equity Shares in the Issue.

In case of cancellations or default by the QIBs, our Company, the Book Running Lead Manager has the right to reallocate the Equity Shares at the Issue Price among existing or new QIBs at their sole and absolute discretion.

Designated Date and Allotment of Equity Shares

1. The Equity Shares will not be Allotted unless the QIBs pay the Issue Price to the Escrow Account as stated above.

2. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN for the QIBs who have paid the aggregate subscription amounts as stipulated in the CAN.

3. In accordance with the ICDR Regulations, Equity Shares will be issued 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, 2013 and the Depositories Act.

4. Our Company reserves the right to cancel this Issue at any time up to Allotment without assigning any reasons whatsoever.

5. Post receipt of the listing approval of the Stock Exchanges, the Issuer shall credit the Equity Shares into the Depository Participant account of the QIBs.

6. Following the Allotment and credit of Equity Shares into the QIBs Depository Participant account, our Company will apply for final listing and trading approval from the Stock Exchanges. In the case of QIBs who have been Allotted more than five % of the Equity Shares in the Issue, our Company shall disclose the name and the number of the Equity Shares Allotted to such QIB to the Stock Exchanges and the Stock Exchanges will make the same available on their website. The Escrow Bank shall release the monies lying to the credit of the Escrow Bank Account to our Company after the receipt of the final listing and trading approval from the Stock Exchanges.

7. In the event our Company is unable to Issue and Allot the Equity Shares or on cancellation of the Issue, within 60 days from the date of receipt of application money, in accordance with section 42 of the Companies Act, 2013 our Company shall repay the application money within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at the rate of 12% per annum from expiry of the 60th day. The application money to be refunded by us shall be refunded to the same bank account from which application money was remitted by the QIBs.

Other Instructions

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Manager, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company and the Book Running Lead Manager in relation to the rejection of Bids shall be final and binding.

Equity Shares in Dematerialized form with NSDL or CDSL

1. The Allotment of the Equity Shares in this Issue shall be only in 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).

2. A QIB applying for Equity Shares must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid.

3. Allotment to a successful QIB will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the QIB.

4. Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange have electronic connectivity with NSDL and CDSL. The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

5. Our Company will not be responsible or liable for the delay in the credit of the Equity Shares due to errors in the Application Forms or on part of the QIBs.

Release of funds to our Company

The Escrow Bank shall not release the monies lying to the credit of the Escrow Account till such time, that it receives an instruction in pursuance to the Escrow Agreement, along with the listing and trading approval of the Stock Exchanges for the Equity Shares offered in the Issue.

PLACEMENT

Placement Agreement

The Book Running Lead Manager has entered into a placement agreement with our Company dated January 18, 2018 (the "**Placement Agreement**"), pursuant to which each of the Book Running Lead Manager has agreed manage the Issue and act as placement agents in connection with the proposed Issue and procure subscriptions for the Equity Shares on a reasonable efforts basis to be placed with QIBs pursuant to Section 42 of Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and Chapter VIII of ICDR Regulations and the Companies Act, 2013 read with rules thereunder.

The Placement Agreement contains customary representations and warranties as well as indemnities from us and the Book Running Lead Manager and is subject to certain conditions and termination provisions contained therein.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of U.S. Securities Act and applicable U.S. state securities law. Accordingly, the Equity Shares are offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under the sections "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 145 and 151, respectively.

Applications will be made to list the Equity Shares and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Placement Document has not been, and will not be, registered as a prospectus with the RoC and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or to any other class of investors other than QIBs.

In connection with the Issue, the Book Running Lead Manager (or its affiliates) may, for their own accounts, enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Manager may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Manager may purchase Equity Shares and be allocated Equity Shares. See also the section "*Off-shore Derivative Instruments".*

From time to time, the Book Running Lead Manager and its affiliates may engage in transactions with and perform services for our Company, group companies or affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and group companies or affiliates, for which they have received compensation and may in the future receive compensation.

Lock-up

Our Company undertakes that it will not for a period of 180 days from the date of Allotment under the Placement, without the prior written consent of the Book Running Lead Manager, directly or indirectly, (a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing, or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility, or (d) publicly announce any intention to enter into any transaction falling within (a) to (c) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above. Provided that the foregoing restriction shall not apply to an issuance of Equity Shares or options pursuant to any employee stock option scheme formulated by the Company.

Our Promoter agree that they shall not without the prior written consent of the Book Running Lead Manager, during the period commencing on the date hereof and ending 180 days after the date of allotment of the Equity Shares (the "**Lock-up Period**"), directly or indirectly: (a) sell, lend, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Lock-up Shares, or any securities convertible into or exercisable or exchangeable for Lock-up Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Lock-up Shares or any securities convertible into or exercisable or exchangeable for Lock-up Shares; (c) sell, lend, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares or interest in an entity which holds any Lock-up Shares or (d) publicly announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above.

SELLING RESTRICTIONS

The distribution of this Placement Document and the offer, sale or delivery of the Equity Shares is restricted by law in certain jurisdictions. Persons who come into possession of this Placement Document are advised to take legal advice with regard to any restrictions that may be applicable to them and to observe such restrictions. This Placement Document may not be used for the purpose of an offer or sale in any circumstances in which such offer or sale is not authorized or permitted.

General

No action has been taken or will be taken in any jurisdiction by our Company or the Book Running Lead Manager that would permit a public offering of the Equity Shares or the possession, circulation or distribution of this Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable ICDR Regulations. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "*Notice to Investors – Representations by Investors*" and "*Transfer Restrictions*".

India

This Placement Document may not be distributed, directly or indirectly, in India or to residents of India and any Equity Shares may not be offered or sold, directly or indirectly, in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to eligible QIBs and is not an offer to the public. This Placement Document is neither a public issue nor a prospectus under the Companies Act or an advertisement and should not be circulated to any person other than to whom the offer is made.

Australia

This Placement Document and the offer of Equity Shares are only made available in Australia to persons to whom a disclosure document is not required to be given under Chapter 6D of the Australian Corporations Act 2001 (the "Australian Corporations Act") and has not been and will not be lodged or registered with the Australian Securities & Investments Commission or any other regulatory body or agency in Australia. This Placement Document is not a prospectus, product disclosure statement or any other form of formal "disclosure document" for the purposes of the Australian Corporations Act and is not required to, and does not, contain all the information which would be required in a disclosure document under the Australian Corporations Act. (i) The offer of the Equity Shares under this Placement Document is only made to persons to whom it is lawful to offer the Equity Shares without a disclosure document such as a professional investor or sophisticated investor for the purposes of Chapter 6D of the Australian Corporations Act; (ii) this Placement Document is made available in Australia to persons as set forth in clause (i) above; and (iii) by accepting this offer, the offeree represents that the offeree is such a person as set forth in clause (ii) above and agrees not to sell or offer for sale within Australia any Equity Shares sold to the offeree within 12 months after their transfer to the offeree under this Placement Document.

Cayman Islands

This Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription. The Equity Shares are not offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

Dubai International Financial Centre

This Placement Document relates to an "exempt offer" in accordance with the Dubai Financial Services Authority ("DFSA") Rulebook Markets Module, and which is not subject to any form of regulation or approval by the DFSA. The DFSA has no responsibility for reviewing or verifying this Placement Document or any other documents in connection with this offer. Accordingly, the DFSA has not approved this Placement Document or any other associated documents nor taken any steps to verify the information set out in this Placement Document, and has no responsibility for it. The shares to which this Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the shares. If you do not understand the contents of this document, you should consult an authorised financial adviser. This Placement Document may only be provided to Professional Clients as defined in the DFSA Rulebook Conduct of Business Module ("COB Module"). This offer is not directed at Retail Clients as defined in the COB Module.

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), the Book Running Lead Manager has severally and not jointly, or jointly and severally, represented and warranted that it has not made and will not make an offer to the public of any Equity Shares which are the subject of the issue of Equity Shares contemplated by this Placement Document in that Relevant Member State, except that the Equity Shares may be offered to the public in that Member State at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

1. to any legal entity which is a qualified investor, as defined in the Prospectus Directive (as defined below);

2. to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive or supplement a prospectus pursuant to Article 16 at the Prospectus Directive), subject to obtaining the prior consent of the relevant Book Running Lead Manager nominated by the Company for any such offer; or

3. at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Manager of a prospectus or the initial purchaser of a prospectus pursuant to Article 3 of the Prospectus Directive and each person who initially acquires any Equity Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed with the Book Running Lead Manager and the Company that it is a qualified investor within the meaning of the law of the Relevant Member State implementing Article 2(1)I of the Prospectus Directive or any measure implementing the Prospectus Directive in any Relevant Member State.

For the purposes of this provision, the expression "an offer to the public" in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any securities to be offered so as to enable an investor to decide to purchase any securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Hong Kong

This Placement Document has not been approved by the Securities and Futures Commission in Hong Kong and, accordingly, (i) the Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO") and any rules made under that SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32) (the "CWUMPO") of Hong Kong or which do not constitute an offer to the public within the meaning of the CWUMPO; and (ii) the Book Running Lead Manager has not issued or had in its possession for the purposes of the issue of Equity Shares whether in Hong Kong or elsewhere any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong), other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Act No. 25 of 1948, as amended; the "FIEA") The Book Running Lead Manager has represented and agreed that it will not offer or sell any Equity Shares, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Korea

The Equity Shares have not been and will not be registered under the Financial Investment Business and Capital Markets Act of Korea and none of the Equity Shares may be offered or sold, directly or indirectly, in Korea or to any resident of Korea or to any persons for reoffering or resale, directly or indirectly, in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Act of Korea and its Enforcement Decree) except pursuant to an exemption from the registration requirements of the Financial Investment Business and Capital Markets Act of Korea available thereunder and/or in compliance with applicable laws and regulations of Korea.

Kuwait

This Placement Document is not for general circulation to the public in Kuwait. The Equity Shares have not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority or any other relevant Kuwaiti government agency. The offering of the Equity Shares in Kuwait on the basis a private placement or public offering is, therefore, restricted in accordance with Law No. 7 of 2010 and the bylaws thereto (as amended). No private or public offering of the Equity Shares is being made in Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in Kuwait.

Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia pursuant to the Securities Commission Act, 1993 as the offer for purchase of, or invitation to purchase the Equity Shares is meant to qualify as an "excluded offer or excluded invitation" within the meaning of Section 38 of the Securities Commission Act, 1993. Each Book Running Lead Manager has severally represented, warranted or agreed that the Equity Shares will not be offered, sold, transferred or otherwise disposed, directly or indirectly, nor any document or other material in connection therewith distributed, in Malaysia, other than to persons falling within any one of the categories or person specified in Schedule 2 and/or Schedule 3 of the Securities Commission Act, 1993 who are also persons to whom any offer or invitation to purchase or sell would be an excluded offer or invitation within the meaning of Section 38 of the Securities Commission Act, 1993.

Mauritius

The Equity Shares are not being offered to the public in Mauritius and nothing in the Placement Document or any information contained herein may be treated as a prospectus for the purposes of the Securities Act 2005 of Mauritius. The Mauritius Financial Services Commission (FSC) has neither reviewed nor approved the Placement Document and the Company does not hold any licence issued by the FSC. Accordingly, the Placement Document has not been registered with the FSC. Equity Shares are being offered by way of private placement only to the person to whom such offer has been made.

Only persons licensed by the FSC as, investment dealers, investment advisers or investment bankers conducting activities as an investment dealer or investment adviser may market and carry out any form of solicitation in Mauritius in respect to the offer, distribution or sale of the Equity Shares. Where solicitation does not exist, a licensee as distributors of financial products may distribute the Equity Shares. The Equity Shares may not be offered, distributed or sold, directly or indirectly, in Mauritius, except as permitted by applicable Mauritius law, including but not limited to Securities Act 2005 of Mauritius.

The Company has not been authorized (or recognized) and does not intend to seek authorization (or recognition) with the FSC, and the FSC expresses no opinion as to the matters contained in the Placement Document and as to the merits of an investment in the Company. There is no statutory compensation scheme in Mauritius in the event of the Company's failure.

New Zealand

This Placement Document is not a prospectus. It has not been prepared or registered in accordance with the Securities Act 1978 of New Zealand (the "New Zealand Securities Act"). This Placement Document is being distributed in New Zealand only to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money, within the meaning of section 3(2)(a)(ii) of the New Zealand Securities Act ("Habitual Investors"). By accepting this Placement Document, each investor represents and warrants that if they receive this Placement Document in New Zealand they are a Habitual Investor and they will not disclose this Placement Document to any person who is not also a Habitual Investor.

Oman

By receiving this Placement Document, the person or entity to whom it has been issued understands, acknowledges and agrees that this Placement Document has not been approved by the Capital Market Authority of Oman (the "CMA") or any other regulatory body or authority in the Sultanate of Oman ("Oman"), nor have the Book Running Lead Manager or any placement agent acting on its behalf received authorisation, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute interests in the Equity Shares within Oman.

No marketing, offering, selling or distribution of any interests in the Equity Shares has been or will be made from within Oman and no subscription for any interests in the Equity Shares may or will be consummated within Oman. Neither the Book Running Lead Manager nor any placement agent acting on their behalf is a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. Neither the Book Running Lead Manager nor any placement agent acting on their behalf advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

Nothing contained in this Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Placement Document is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

Qatar

This document does not, and is not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (i) neither this Placement Document nor the Equity Shares have been registered, considered, authorized or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (ii) neither the Company nor persons representing the Company are authorized or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (iii) this Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (iv) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Neither the Company nor persons representing the Company are, by distributing this document, advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Saudi Arabia

Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "Saudi Investor") who acquires Equity Shares pursuant to the Issue should note that the offer of Equity Shares is an offer to "Sophisticated Investors" (as defined in Article 11 of the "Offer of Securities Regulations" as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated October 4, 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated August 18, 2008 (the "KSA Regulations")) for the purposes of Article 9 of the KSA Regulations. The Book Running Lead Manager has represented, warranted and agreed that the offer of the Equity Shares will only be directed at Sophisticated Investors.

The offer of Equity Shares shall not therefore constitute a "public offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations. Any Saudi Investor who has acquired Equity Shares as a Sophisticated Investor may not offer or sell those Equity Shares to any person unless the offer or sale is made through an authorised person appropriately licensed by the Saudi Arabian Capital Market Authority and (i) the Equity Shares are offered or sold to a Sophisticated Investor; (ii) the price to be paid for the Equity Shares in any one transaction is equal to or exceeds Saudi Arabian Riyal 1 million or an equivalent amount; or (iii) the offer or sale is otherwise in compliance with Article 17 of the KSA Regulations.

Singapore

The Book Running Lead Manager has acknowledged that this Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Book Running Lead Manager has represented and agreed that it has not offered or sold any Equity Shares issued pursuant to the Issue or caused such Equity Shares to be made the subject of an invitation for subscription or purchase and will not offer or sell such Equity Shares issued pursuant to the Issue or cause such Equity Shares to be made the subject of an invitation for subscription or purchase, and have not circulated or distributed, nor will they circulate or distribute, this Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Equity Shares issued pursuant to the Issue, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore ("SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 by a relevant person which is:

- a corporation (which is not an accredited investor) (as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation to the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except:

- to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

- where no consideration is or will be given for the transfer;

- where the transfer is by operation of law;
- as specified in Section 276(7) of the SFA; or
- as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Placement Document is not intended to constitute an offer, sale or delivery of shares or other securities under the laws of the United Arab Emirates (the "UAE"). The Equity Shares have not been and will not be registered under Federal Law No. 4 of 2000 Concerning the Emirates Securities and Commodities Authority and the Emirates Security and Commodity Exchange, or with the UAE Central Bank, the Dubai Financial Market, the Abu Dhabi Securities market or with any other UAE exchange. the Issue, the Equity Shares and interests therein do not constitute a public offer of securities in the UAE in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or otherwise. This Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the Equity Shares may not be offered or sold directly or indirectly to the public in the UAE.

By receiving this Placement Document, the person or entity to whom this Placement Document has been issued understands, acknowledges and agrees that the Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the Dubai International Financial Centre other than in compliance with laws applicable in the Dubai International Financial Centre, governing the issue, offering or sale of securities. The Dubai Financial Services Authority has not approved this Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it.

United Kingdom

The Book Running Lead Manager has represented, warranted and undertaken that:

1. it has only communicated or caused to be communicated and will only communicate or cause to be communicated in the United Kingdom any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 ("FSMA") received by it in connection with the issue or sale of any Equity Shares in circumstances in which section 21(1) of FSMA does not apply to the Company; and

it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Equity Shares in, from or otherwise involving the United Kingdom.

United States of America

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States unless so registered, and may not be offered, sold or delivered in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold in the Issue only outside the United States in offshore transactions in reliance with Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. To help ensure that the offer and sale of the Equity Shares in the Issue was made in compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and undertakings set forth in "*Transfer Restrictions*" on page 151.

TRANSFER RESTRICTIONS

Allottees are not permitted to sell the Equity Shares for a period of one year from the date of Allotment except through the Stock Exchanges. In addition to the above, allotments made to QIBs, including FVCIs, VCFs and AIFs in the Issue, may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. Accordingly, purchasers are advised to consult their own legal counsel prior to making any offer, re-sale, pledge or transfer of the Equity Shares.

Due to the following restrictions, investors are advised to consult legal counsel prior to making any resale, pledge or transfer of the Equity Shares.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and applicable laws of the jurisdictions where those offers and sales are made.

If you purchase the Equity Shares in this Issue, by accepting delivery of this Placement Document, submitting a bid to purchase the Equity Shares and accepting delivery of the Equity Shares, you will be deemed to have represented to and agreed with our Company and the Book Running Lead Manager as follows:

- you have received a copy of the Placement Document and such other information as you deem necessary to make an informed decision and that you are not relying on any other information or the representation concerning the Company or the Equity Shares and neither the Company nor any other person responsible for this document or any part of it or the Book Running Lead Manager will have any liability for any such other information or representation;

- you are authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations;

- you will comply with all laws, regulations and restrictions (including the selling restrictions contained in this Placement Document) which may be applicable in your jurisdiction and you have obtained or will obtain any consent, approval or authorization required for you to purchase and accept delivery of the Equity Shares, and you acknowledge and agree that none of our Company, the Book Running Lead Manager or any of their respective affiliates shall have any responsibility in this regard;

- you acknowledge (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges) that such Equity Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to restrictions on transfer;

- you and the person, if any, for whose account or benefit you are acquiring the Equity Shares, were located outside the United States at the time the buy order for the Equity Shares was originated and continue to be located outside the United States and have not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or any economic interest therein to any person in the United States;

- you are not an affiliate (as defined in Rule 405 of the U.S. Securities Act) of our Company or a person acting on behalf of such affiliate; and you are not in the business of buying and selling securities or, if you are in such business, you did not acquire the Equity Shares from our Company or an affiliate (as defined in Rule 405 of the U.S. Securities Act) thereof in the initial distribution of the Equity Shares;

- you certify that either (A) you are, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares and are located outside the United States (within the meaning of Regulation S) or (B) you are a broker-dealer acting on behalf of your customer and your customer has confirmed to you that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S);

- you are aware of the restrictions on the offer and sale of the Equity Shares pursuant to Regulation S described in this Placement Document and that neither the BSE nor the NSE is a "designated offshore securities market" within the meaning of Regulation S of the U.S. Securities Act;

- the Equity Shares have not been offered to you by means of any "directed selling efforts" as defined in Regulation S; and

- you acknowledge that our Company, the Book Running Lead Manager and their respective affiliates (as defined in Rule 405 of the U.S. Securities Act), and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of the Equity Shares are no longer accurate, you will promptly notify our Company and the Book Running Lead Manager, and if you are acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, you represent that you have sole investment discretion with respect to each such account and that you have full power to make the foregoing acknowledgements, representations and agreements on behalf of such accounts.

- you acknowledge that the Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities law of any state of the United States and warrant to our Company, the BRLM and its respective affiliates that it will not offer, sell, pledge or otherwise transfer the Equity Shares except in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.

- you represent and warrant to our Company, the Book Running Lead Manager and their respective affiliates that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

  the Company, the Book Running Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of your representations, warranties, acknowledgements and undertakings set out in this document, each of which is given to (a) the Book Running Lead Manager on their own behalf and on behalf of the Company, and (b) to the Company, and each of which is irrevocable and, if any of such representations, warranties, acknowledgements or undertakings deemed to have been made by virtue of your purchase of the Equity Shares are no longer accurate, you will promptly notify the Company.

- you and any accounts for which you are subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or the Book Running Lead Manager or their respective affiliates for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in this Issue for your own investment and not with a view to distribution;

- you have been provided access to this Placement Document which you have read in its entirety;

- you are aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S;

- you agree to indemnify and hold the Company and the Book Running Lead Manager and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. You will not hold any of the Company or the Book Running Lead Manager and their respective affiliates liable with respect to its investment in the Equity Shares. You agree that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares; and

- any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions will not be recognized by our Company.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchange and has not been prepared or independently verified by our Company or the BRLM or any of its respective affiliates or advisors.

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the Securities Contracts (Regulation) Rules, 1957 (the "**SCRR**"). On June 20, 2012, SEBI, in exercise of its powers under the SCRA and the Securities and Exchange Board of India Act, 1992, as amended from time to time (the "**SEBI Act**"), notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 (the "**SCR (SECC) Rules**"), which regulate inter alia the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Rules along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by public companies, investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, FIIs, FPIs, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI and the Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or noncompliance with any conditions or breach of a company's obligations under the Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

All listed companies are required to ensure a minimum public shareholding at 25%. Further, where the public shareholding in a listed company falls below 25% at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirement. However, the GoI *vide* its notification dated July 4, 2017 has extended the time limit for complying with the minimum public shareholding requirements for a period of four years.

Delisting

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges which were significantly modified in 2015. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Disclosures under Listing Regulations

Public limited companies are required under Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include provisions relating to corporate governance, related party transactions and management's discussion and analysis as required under the Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the Listing Regulations.

Minimum Level of Public Shareholding

Pursuant to an amendment of the SCRR in June 2010, all listed companies (except public sector undertakings) were required to maintain a minimum public shareholding of 25.00%. However, pursuant to a subsequent amendment to the SCRR, a public company, including public sector undertakings, seeking to get a particular class or kind of securities listed shall offer and allot to the public (i) at least 25% of such class or kind of securities issued by the company, if the post issue capital is less than or equal to ₹ 16,000 lacs (ii) at least such percentage of such class or kind of securities issued by the company equivalent to ₹ 4,000 lacs if the post issue capital of the company is more than ₹ 16,000 lacs but less than or equal to ₹ 40,000 lacs or (iii) at least 10.00% of such class or kind of securities issued by the company, if the post issue capital of the company is above ₹ 40,000 lacs. In case of (ii) and (iii) above, the public shareholding is required to be increased to 25.00% within a period of three years from the date of listing of the securities. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25.00% at any time, such company shall bring the public shareholding to 25.00% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25.00% threshold. However, the GoI *vide* its notification dated July 4, 2017 has extended the time limit for complying with the minimum public shareholding requirements for a period of four years.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10.00%, 15.00% and 20.00%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of up to 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, the BSE is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. It has evolved over the years into its present status as one of the premier stock exchanges of India. Pursuant to the BSE (Corporatisation and Demutualisation) Scheme 2005 of the SEBI, with effect from August 19, 2005, the BSE was incorporated and is now a company under the Companies Act.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. The NSE became the first exchange to grant approval to its members for providing internet based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" and the "derivatives" segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading (or "**BOLT**") facility in 1995. This totally automated screen based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

The NSE has introduced a fully automated trading system called National Exchange for Automated Trading (or "**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Takeover Code

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the Takeover Code, which provides specific regulations in relation to substantial acquisition of shares and takeover. The Takeover Code came into effect on October 22, 2011 and replaced the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("**Takeover Code 1997**"). Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Code will apply to any acquisition of the company's shares/voting rights/control. The Takeover Code prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the Takeover Code mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The Takeover Code also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

The key changes from the Takeover Code 1997 under the Takeover Code include:

- the trigger for making a public offer upon acquisition of shares or voting rights has been increased from 15.00% to 25.00%;
- every public offer has to be made for at least 26.00% of all the shares held by other shareholders;
- creeping acquisition of up to 5.00% is permitted up to a limit of 75.00% of the shares or voting rights of a company;
- acquisition of control in a target company triggers the requirement to make a public offer regardless of the level of shareholding and the acquisition of shares; and
- if the indirect acquisition of a target company is a predominant part of the business or entity being acquired, it would be treated as a direct acquisition.

Insider Trading Regulations

The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended have been notified by SEBI to prohibit and penalise insider trading in India. An "insider" is defined to include any person who has received or has access to unpublished price sensitive information ("**UPSI**") or a "Connected Person". A "Connected Person" includes, inter alia, any person who is or has directly or indirectly, been associated with the company in any capacity whether contractual, fiduciary or employment or has any professional or business relationship with the company whether permanent or temporary, during the six months prior to the concerned act which would allow or reasonably expect to allow access, directly or indirectly, to UPSI.

The Insider Trading Regulations also provide disclosure obligations for promoter, employees and directors, with respect to their shareholding in our Company, and the changes therein. An insider is, inter alia, prohibited from trading in securities of a listed or proposed to be listed company when in possession of UPSI and to provide access to any person including other insiders to the above referred UPSI except where such communication is for legitimate purposes, performance of duties or discharge of legal obligations. UPSI shall include any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities. The Insider Trading Regulations also provide disclosure obligations for shareholders holding more than 5% of equity shares or voting rights, and the changes therein. Initial disclosures are required from promoter, key managerial personnel, directors as well as continual disclosures by every promoter, employee or director in case value of trade exceed monetary threshold of ten lacs rupees over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the Insider Trading Regulations.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfers in book-entry form. Further, SEBI framed regulations in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of some of the provisions of the Memorandum of Association, Articles of Association and the Companies Act. Prospective investors are urged to read the Memorandum of Association, Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and the Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

General

Our authorized capital is ₹ 2,100.00 Lacs divided into (a) 2,05,00,000 Equity Shares of ₹ 10 each and (b) 50000 16% Cumulative Redeemable Preference Shares of ₹ 100 each. As on the date of this Placement Document, the issued, subscribed and paid-up share capital of our Company is ₹ 1,600.40 Lacs comprising of 1,60,04,000 Equity Shares of ₹ 10 each. For further details please see section "*Capital Structure*" on page 63.

Dividend

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM held each Fiscal. Under the Companies Act, 2013, unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare a dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013 no dividend can be declared or paid by a company for any Fiscal except out of the profits of our company for that year, calculated in accordance with the provisions of the Companies Act or out of the profits of our company for any previous Fiscal(s) arrived at as laid down by the Companies Act.

The Articles of Association of the Company states that the Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend. Further, subject to the provisions of the Act, the Board may from time-to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

Further, as per the Companies (Declaration and Payment of Dividend) Rules, 2014, in the absence of profits in any year, company may declare dividend out of surplus, provided: (a) the rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the three years immediately preceding that year; (b) the total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of its paid up share capital and free reserves as per the latest audited balance sheet; (c) the amount so drawn shall be first utilized to set off the losses incurred in the financial year in which the dividend is declared before any dividend in respect of equity shares is declared; and (d) the balance of reserves after such withdrawal shall not fall below 15% of its paid up share capital as per the latest audited balance sheet of our company.

The Articles of Association states that 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. No amount paid or credited as paid on a share in advance of calls shall be treated for as paid on the share. 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. 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. The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares. No dividend shall bear interest against the Company.

In terms of Section 124 of the Companies Act 2013, our Company shall credit such unclaimed dividends to the unpaid dividend account of our Company, and any money transferred to the unclaimed dividend account of our Company which remains unpaid and unclaimed for a period of seven years from the date they became due for payment, shall be transferred by our Company to the 'Investor Education and Protection Fund', established by the GoI, in accordance with Section 125 of the Companies Act 2013.

Further, as per regulation 43 of the Listing Regulations, a listed company shall declare and disclose the dividend on per share basis only and shall not forfeit unclaimed dividends before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases. The listed company shall recommend or declare all dividend and/or cash bonuses at least five working days (excluding the date of intimation and the record date) before the record date fixed for the purpose.

The Equity Shares issued pursuant to this Placement Document shall rank *pari passu* with the existing Equity Shares in all respects including entitlements to any dividends that may be declared by our Company.

The Articles of Association further states that waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

Capitalization of Profits

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to capitalise the company's profits or reserves for the purpose of issuing fully paid-up bonus shares, which are similar to stock dividend. The Companies Act, 2013 permits the issue of fully paid up bonus shares from its free reserves, securities premium account or capital redemption reserve account, provided that bonus shares shall not be issued by capitalizing reserves created by revaluation of assets. These bonus Equity Shares must be distributed to shareholders in proportion to the number of Equity Shares owned by them as recommended by the board of directors.

Any issue of bonus shares by a listed company would be subject to the ICDR Regulations. The relevant ICDR Regulations prescribe that no company shall make a bonus issue of equity shares if it has outstanding fully or partly convertible debt instruments at the time of making the bonus issue, unless it has made reservation of the equity shares in the same class in favour of the holders of the outstanding convertible debt instruments in proportion to the convertible part thereof and the equity shares reserved for the holders of fully or partly convertible debt instruments shall be issued at the time of conversion of such convertible debt instruments on the same terms or same proportion on which the bonds were issued. Further, for issuance of such bonus shares, a company should not have defaulted in the payment of interest or principal in respect of fixed deposits and interest on existing debentures or principal on redemption of such debentures. The declaration of bonus shares in lieu of a dividend cannot be made. The bonus issuance shall be made out of free reserves built out of genuine profits or share premium collected in cash only. The reserves created by revaluation of fixed assets cannot be capitalised.

The Articles of association state the sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained, 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 or other securities 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).

Whenever such a resolution as aforesaid shall have been passed, the Board shall a) make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any; and b) generally do all acts and things required to give effect thereto.

The Board shall have power to make such provisions, by the issue of fractional certificate / coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and to authorize 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 or other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.

A bonus issue may be made out of free reserves built out of genuine profits or share premium collected in cash and not from reserves created by revaluation of fixed assets. The issue of bonus shares must take place within fifteen days from the date of approval by the board, if the Articles of Association of a company do not require such company to seek shareholders' approval for capitalization of profits or reserves for making bonus issues. If a company is required to seek shareholders' approval for capitalization of profits or reserves for making bonus issues, then the bonus issue should be implemented within two months from the date of the board meeting wherein the decision to issue bonus shares was taken subject to shareholders' approval.

Pre-emptive Rights and Alteration of Share Capital

Subject to the provisions of the Companies Act, 2013, our Company can increase its share capital by issuing new equity shares. Such new equity shares must be offered to existing shareholders registered on the record date in proportion to the amount paid-up on those equity shares at that date. The offer shall be made by notice specifying the number of equity shares offered and the date (being not less than fifteen days and not exceeding thirty days from the date of the offer) after which the offer, if not accepted, will be deemed to have been declined. After such date the Board may dispose of the equity shares offered in respect of which no acceptance has been received, in such manner as they think is not disadvantageous to the shareholders and our Company. The offer is deemed to include a right exercisable by the person concerned to renounce the shares in favor of any other person provided that the person in whose favor such shares have been renounced is approved by the Board in their absolute discretion.

However, under the provisions of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, new shares may be offered to any persons, whether or not those persons include existing shareholders or employees to whom shares are allotted under a scheme of employees stock options, either for cash or for consideration other than cash, if a special resolution to that effect is passed by the shareholders of our Company in a general meeting. The issue of the Equity Shares pursuant to the Issue has been approved by a special resolution of our Company's shareholders and such shareholders have waived their pre-emptive rights with respect to such Equity Shares.

The Articles of Association provide that, subject to the provisions of the Act, the Company may by ordinary resolution:

a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;

b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;

c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

e) 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.

The Articles of Association further provides that the Company may, by resolution as prescribed by the Act, reduce, in any manner and in accordance with the provisions of the Act and the Rules, -

a) its share capital.

General Meetings of Shareholders

There are two types of general meetings of the shareholders, namely, AGM and EGM. Our Company is required to hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between one AGM and next one, unless extended by the RoC at our request for any special reason for a period not exceeding three months. Our Board of Directors may convene an EGM when necessary or at the request of a shareholder or shareholders holding in the aggregate not less than one tenth of our Company's issued paid up capital (carrying a right to vote in respect of the relevant matter on the date of receipt of the requisition).

Section 101 of the Companies Act 2013 provides that notices, along with statement containing material facts concerning each special item, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to every member or the legal representative of a deceased member, auditors of our company and every director of our company, at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95% of the shareholders entitled to vote. Unless, the Articles of Association provide for a larger number, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of our Company, whether AGM or EGM. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with.

The accidental omission to give any such notice to or its non-receipt by any member or other person to whom it should be given shall not invalidate the proceedings of the meeting. The quorum requirements for a general meeting are as prescribed under Section 103 of the Companies Act, 2013, and no business is to be transacted at the general meeting unless the requisite quorum is present at the commencement of the same. If the quorum is not present within half an hour of the time appointed for a meeting, the meeting, if convened upon such requisition as aforesaid, shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week at the same time and place, or such other day and at such time and place as the Board may by notice appoint.

The Articles of association of the company provide that the Chairperson may, *suo motu*, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

A listed company intending to pass a resolution relating to matters such as, but not limited to, an amendment in the objects clause of the memorandum of association, a buy-back of shares under the Companies Act, 2013, the giving of loans or extending a guarantee in excess of limits prescribed under the Companies Act, 2013 is required to pass the resolution by means of a postal ballot instead of transacting the business in the general meeting of our Company.

A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons there of and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of dispatch of the notice. Postal ballot includes voting by electronic mode.

Voting Rights

Subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association, votes may be given either personally or by proxy, or in the case of a body corporate, by a duly authorized representative under Section 113 of the Companies Act, 2013.

At a general meeting, upon a show of hands, every member holding shares and entitled to vote and present in person has one vote. Upon a poll, the voting rights of each shareholder entitled to vote and present in person or by proxy is in the same proportion as the capital paid up on each share held by such holder bears to our Company's total paid up capital. The Chairman of the meeting has a casting vote.

Ordinary resolutions may be passed by simple majority of those present and voting. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. A shareholder may exercise his voting rights by proxy to be given in the form required by the articles of association. The Articles of association provides that a member may exercise his vote at a meeting by electronic means or ballot or polling paper (as may be provided by the Company) in accordance with the Act and shall vote only once. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

According to the regulation 44 of Listing Regulations, our Company has to provide the facility of remote e-voting to the shareholders, in respect of all shareholders' resolutions. The e-voting facility to be provided to shareholders shall be provided in compliance with the conditions specified under the Companies (Management and Administration) Rules, 2014, or amendments made thereto. Our Company shall submit to the stock exchange, within forty eight hours of conclusion of its General Meeting, details regarding the voting results in the required format. Further, our Company shall send proxy forms to holders of securities in all cases mentioning that a holder may vote either for or against each resolution.

The articles of association of the company state that, no member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.

Register of Members and Record Dates

The Company is obliged to maintain a register of shareholders kept at the registered office of the company. In the case of shares held in physical form, transfers of shares are registered on the Register of Members upon lodgment of the share transfer form duly complete in all respects accompanied by a share certificate or, if there is no certificate, the letter of allotment in respect of shares transferred together with duly stamped transfer forms. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the record of the Depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a Depository. Under the Companies Act, 2013, our Company is also required to maintain a register of debenture holders and a register of any other security holders.

For the purpose of determining the shareholders, the register of members or register of debenture holders or a register of any other security holders may be closed for periods not exceeding 45 days in any one year or 30 days at any one time at such times, as the Board may deem expedient in accordance with the provisions of the Companies Act, 2013.

Directors

The Articles of Association provide that the number of Directors shall be not less than three and not more than fifteen. The Directors shall be appointed by our Company in the general meeting subject to the provisions of the Companies Act, 2013 and the Articles of Association. The articles of association provide that, the Executive Chairman or Managing Director shall be a director not liable to retire by rotation. The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation. The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

Pursuant to the articles of association, the Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from

India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. The Company may agree with any financial institution or any authority or person or State Government that in consideration of any loan or financial assistance of any kind whatsoever, which may be rendered by it to the Company, it shall till such time as the loan or financial assistance is outstanding have power to nominate one or more Directors on the Board of the Company (Nominee Director) and from time-to-time remove and reappoint such Directors and to fill in any vacancy caused by the death or resignation of such Directors otherwise ceasing to hold office. Such Nominee Directors shall not be required to hold any qualification shares nor shall they be liable to retire by rotation. The Board may, subject to the provisions of the Act, form committees and delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.

In terms of the Companies Act, 2013, our Board is required to meet at least four times in a year not exceeding more than 120 days between two meetings, for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit. The quorum for a meeting of our Board is one-third of the total number of Directors (any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher.

The articles of association further 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.

Transfer and Transmission of shares

The articles of association of the Company states that for shares in physical form, the instrument of transfer of any equity share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof. The Companies Act 2013 provides that the shares or debentures of a publicly listed company shall be freely transferable. Under Section 58 of the Companies Act 2013, if a public company without sufficient cause refuses to register a transfer of shares, the transferee may appeal to the Tribunal against the refusal within a period of thirty days from the date of receipt of the notice or in case no notice has been sent by the company, within a period of sixty days from the date on which the instrument of transfer or the intimation of transmission, as the case may be, was delivered to the company. However the articles of association of the company provides that the Board may, subject to the right of appeal conferred by the Act decline to register the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or any transfer of shares on which the Company has a lien. In case of shares held in physical form, without prejudice to the other requirements of the Act and the Rules, the Board may decline to recognize any instrument of transfer unless:

a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;

b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

c) the instrument of transfer is in respect of only one class of shares.

Further the articles of association provides that on giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time-to-time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year.

Pursuant to the Listing Regulations, in the event our Company has not effected the transfer of shares within 15 days or where our Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, our Company is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay.

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with applicable SEBI regulations. These regulations provide the regime for the functioning of the depositories and their participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownerships of shares held through a depository are exempt from stamp duty.

A transfer may also be by transmission. Subject to the provisions of the Articles of Association, any person becoming entitled to shares in consequence of the death or insolvency of any member may, upon producing such evidence as may from time to time properly be required by the Board, be registered as a member in respect of such shares, or may, subject to the regulations as to transfer contained in the Articles of Association, transfer such shares. The Articles of Association provide that the Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer

Liquidation Rights

The Articles of Association of our Company provide that Subject to the provisions of the Act and the Rules made thereunder:-

a) 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.

b) 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.

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.

TAXATION

The information provided below sets out the possible tax benefits available to the shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares under the current tax laws presently in force in India. Several of these benefits are dependent on us or our shareholders fulfilling conditions prescribed under relevant tax laws. We may not choose to fulfill such conditions. This information is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares. Investors should note that a draft of the Direct Tax Code Bill has been placed before the Indian Parliament. If that law comes into effect, there could be an impact on the tax provisions mentioned below.

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,

The Board of Directors
Nath Bio-Genes (I) Limited
Nath House, Nath Road
Aurangabad - 431005
Dear Sir(s),

Ref: Certificate of Statement of possible tax benefits available to Nath Bio-Genes (I) Limited and the shareholders in relation to the equity shares prepared in accordance with the requirements under Schedule VIII – Clause (VII) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the 'SEBI ICDR Regulations')

We refer to the proposed issue of the equity shares of Nath Bio-Genes (I) Limited (the "**Company**"). We enclose herewith the statement showing the current position of possible tax benefits available to the Company and to its shareholders as per the provisions of the Income-tax Act, 1961 ('**the Act'**) as applicable to the assessment year 2018-19 relevant to the financial year 2017-18 for inclusion in the Preliminary Placement Document and the Placement Document for the proposed issue of shares.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions.

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

We do not express and opinion or provide any assurance as to whether:

- the Company or its shareholders/ investors will continue to obtain these benefits in future;
- the conditions prescribed for availing the benefits have been / would be met with;
- the revenue authorities / courts will concur with the views expressed herein.

We hereby give our consent to include enclosed statement regarding the possible tax benefits available to the Company and to its shareholders in the Preliminary Placement Document and Placement Document for the proposed QIP which the Company intends to submit to the Stock Exchanges and Securities and Exchange Board of India provided that the below statement of limitation is included in the Preliminary Placement Document and this Placement Document.

Limitations:

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investor who may or may not invest in the proposed issue relying on the statement. This statement has been prepared solely in connection with the offering of Equity shares by the Company through Qualified Institutional Placement under the securities and Exchange Board of India ("**SEBI**") (Issue of capital and Disclosure Requirements) Regulations, 2009, as amended (the Offerings).

For Ashok R Majethia & Co.
Chartered Accountants
Firm Registration No: 127769W

Ashok R Majethia
Proprietor
Membership No.: 124781
Date: January 16, 2017
Place: Khopoli, Dist. Raigad

ANNEXURE TO THE STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO NATH BIO-GENES (I) LIMITED AND ITS SHAREHOLDERS UNDER INCOME TAX ACT, 1961 ('ACT')

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on this statement. This statement has been prepared solely in connection with the offering of Equity shares by the Company through Qualified Institutional Placement under the Securities and Exchange Board of India ("**SEBI**") (Issue of capital and Disclosure Requirements) Regulations, 2009, as amended (the Offerings).

A) Special Tax Benefit available to the Company

Under the Income Tax Act, 1961, Nath Bio-Genes (I) Limited is an Indian Company subject to tax in India. The Company is taxed on its profits. Profits are computed after allowing all permissible business expenditure, including depreciation.

Considering the activities and the business of the Company, the following benefits and implications may be applicable.

- Agriculture Income: As per section 10(1) of the Income Tax Act, 1961, agricultural income earned by the taxpayer in India is exempt from tax. Agricultural income is defined under section 2(1A) of the Income-tax Act. As per section 2(1A), agricultural income generally means: (a) Any rent or revenue derived from land which is situated in India and is used for agricultural purposes. (b) Any income derived from such land by agriculture operations including processing of agricultural produce so as to render it fit for the market or sale of such produce. (c) Any income attributable to a farm house subject to satisfaction of certain conditions specified in this regard in section 2(1A). Any income derived from saplings or seedlings grown in a nursery shall be deemed to be agricultural income.
- R&D Expenses: Section 35(2AB) of the Income Tax Act, 1961, provides weighted tax deduction of 150% of expenditure incurred by a specified company, on scientific research (not being expenditure in the nature of cost of any land or building) in the inhouse R&D centres as approved by the Department of Scientific and Industrial Research (DSIR), Government of India.

The above is based on the provisions of the current Act, which is generally amended every fiscal year.

B) Special Tax Benefit available to the Shareholders

There are no special tax benefits available to its shareholders.

LEGAL PROCEEDINGS

Except as described below, we are not involved in any material legal proceedings, and we are not aware of any threatened legal proceedings, which if determined adversely, could result in a material adverse effect on our business, financial condition or results of operations. We believe that the number of proceedings in which we are involved is not unusual for a company of our size in the context of doing business in India. We have no outstanding defaults in relation to repayment of statutory dues payable, dues payable to holders of any debentures and interest thereon, and in respect of deposits and interest thereon, repayment of loans from any bank or financial institution and interest thereon.

As of the date of this Placement Document, except as disclosed hereunder, we are not involved in any material governmental, legal, tax related or arbitration proceedings and our Company are not aware of any pending or threatened material governmental, legal, tax or arbitration proceedings or litigation relating to our Company which in either case, to the extent quantifiable exceeds the amount of ₹ 200 lacs (which is approximately 1 % of our profit after tax on consolidated basis for Fiscal 2017) or may have a significant effect on the performance of our Company.

A. Litigations involving our Company

i. <u>Criminal cases</u>

a. Filed by our Company:

I. The Negotiable Instruments Act, 1881 ('NI Act'):

Our Company has filed 37 cases under Section 138 of the NI Act, against various distributors/agencies which are pending at different stages before various fora. The total amount involved in these cases is ₹ 32.33 lacs.

b. Filed against our Company:

I. The Negotiable Instruments Act, 1881 ('NI Act'):

Astec Life Sciences Limited ('**Astec**') has filed a criminal complaint no. 5533/SS/2012 against our Company under section 138 read with section 141 of The Negotiable Instruments Act, 1881 for an amount of ₹8.75 lakhs before the Metropolitan Magistrate Court at Esplanade, Mumbai. Astec has alleged that a cheque amounting to ₹8.75 lacs, issued by our Company towards balance payment of certain products, was dishonoured on account of stoppage of payment instructions issued by our Company.

Our Company has received a summon dated July 04, 2014 in respect of the current criminal complaint no. 5533/SS/2012 by the Metropolitan Magistrate Court at Esplanade, Mumbai. The proceedings are pending before the Metropolitan Magistrate Court at Esplanade, Mumbai.

Under the NI Act, the dishonour of a cheque is a criminal offence and is punishable by imprisonment up to two years or with monetary penalty or with both.

I. Seed Act:

Below are the details of cases filed against our Company under the Seed Act:

1. The Agriculture Officer and the State of Gujarat have filed a criminal case no. 756 of 2008 against our Company before the Judicial Magistrate First Class, Upleta ("**JMFC**"). The complaint has been filed alleging that hybrid bajra seeds being sold by our Company are of sub-standard quality. Our Company had thereafter made an application for re-analysis of the sample which the JMFC had rejected the application on the ground that the validity of the sample seeds had expired since the complaint was filed almost 2 years after collecting the sample for testing.

Simultaneously, our Company has filed a criminal misc. application before the High Court of Gujarat at Ahmedabad, *inter alia* praying that (i) the criminal case pending before the JMFC, be quashed and set aside (ii) an order be passed staying the criminal case pending before the JMFC. The criminal case and the criminal misc. application are pending before the JMFC and High Court of Gujarat at Ahmedabad, respectively.

The Agriculture Officer and the State of Karnataka have filed a criminal case no. 4/2012 against our Company before the Judicial Magistrate First Class, Upleta ("**JMFC**") at Chitradurg, Karnataka. The complaint has been filed alleging that the samples of 'Jagannath-2' bt. cotton seeds drawn were tested in a Government laboratory and subsequently found to be of sub-standard quality. Our Company has filed its reply to the complaint, denying the charges and stating that so far we have not received any complaints from our customers with respect to the said seed. The case is pending before the JMFC at Chitradurg, Karnataka at evidentiary stage.

2. The Agriculture Officer and the State of Andhra Pradesh have filed a criminal case no. 303/2015 against our Company before the Additional Junior Civil Judge at Ongole, Andhra Pradesh. The complaint has been filed alleging that the samples of variety 'Eknath – 301: Bajra Seeds' drawn were tested in a Government laboratory and subsequently found to be of sub-standard quality.

   In respect of this, the Vakalatnama has been submitted before the Court to appear and act on behalf of our Company in the given matter. The criminal case is pending before the Additional Junior Civil Judge at Ongole in Andhra Pradesh.

3. The Agriculture Officer and the State of Rajasthan have filed a criminal case no. 274/2009 against our Company before the Civil and Session Judge (**'CJM'**) Court at Pidawa in district Zalawad of Rajasthan. The complaint has been filed alleging that the samples drawn out of mustard seeds variety, 'Nath Sona –Super' were tested in a Government laboratory and subsequently found to be of sub-standard quality.

   Our Company is yet to submit its reply in this matter and the case is pending before the CJM Court.

4. The Agriculture Officer and the State of Rajasthan have filed a criminal case no. 23-386/2010 against our Company before the Civil and Session Judge (**'CJM'**) Court at Alwar in Rajasthan. The complaint has been filed alleging that the samples drawn out of bt. cotton seeds were tested in a Government laboratory and subsequently found to be of sub-standard quality.

   Our Company is yet to submit its reply in this matter and the case is pending before the CJM Court.

5. The Agriculture Officer and the State of Rajasthan have filed a criminal case no. 23- 385/2010 against our Company before the Civil and Session Judge (CJM) Court at Alwar in Rajasthan. The complaint has been filed alleging that the samples drawn out of bt. cotton seeds variety namely 'Bharti' were tested in a Government laboratory and subsequently found to be of sub-standard quality.

   Our Company is yet to submit its reply in this matter and the case is pending before the CJM Court.

6. The Agriculture Officer and the State of Rajasthan have filed a criminal case no. 353/2011 against our Company before the Civil and Session Judge (CJM) Court at Jodhpur in Rajasthan. The complaint has been filed alleging that the samples drawn out of bt. cotton seeds variety namely, 'Bharti NCEH-6' were tested in a Government laboratory and subsequently found to be of sub-standard quality.

   Our Company is yet to submit its reply in this matter and the case is pending before the CJM Court.

7. The Agriculture Officer and the State of Rajasthan have filed a criminal case no. 304/2011 against our Company before the Civil and Session Judge (CJM) Court at Chabra in Rajasthan. The complaint has been filed alleging that the samples drawn out of maize seeds variety, 'Nath-Samrat 1144' were tested in a Government laboratory and subsequently found to be of sub-standard quality.

   Our Company is yet to submit its reply in this matter and the case is pending before the CJM Court.

8. The Agriculture Officer and the State of Rajasthan have filed a criminal case no. 12/2012 against our Company before the Civil and Session Judge (CJM) Court at Bundi, Rajasthan. The complaint has been filed alleging that the samples drawn out of maize seeds variety, 'Nath-Samrat 1144' were tested in a Government laboratory and subsequently found to be of sub-standard quality.

   Our Company is yet to submit its reply in this matter and the case is pending before the CJM Court.

9. The Agriculture Officer and the State of Rajasthan have filed a criminal case no. 186/2013 against our Company before the Court of Additional Civil and Session Judge (**'CJM'**) Court at Medta district, Nagour in Rajasthan. The complaint has been filed alleging that the samples drawn out of bt. cotton seeds variety, 'Yuvraj' were tested in a Government laboratory and subsequently found to be of sub-standard quality.

   Our Company is yet to submit its reply in this matter and the case is pending before the CJM Court.

10. The Agriculture Officer and the State of Maharashtra have filed a criminal case no. 26/ 2013 against our Company before the Judicial Magistrate First Class ("**JMFC**") in Sindkheda district Dhule of Maharashtra. The complaint has been filed alleging that the samples drawn out of bajra seeds variety, 'NBH-05' were tested in a Government laboratory and subsequently found to be of sub-standard quality.

    In this regard, our Company has not received any official summons or notices as of date.

11. The Agriculture Officer and the State of Maharashtra have filed a criminal case no. 1767/2015 against our Company before the Judicial Magistrate First Class ("**JMFC**") in Aurangabad, Maharashtra. The complaint has been filed alleging that the samples drawn out of hybrid cotton seeds variety, 'Drone-2(NBC-11) BG II' tested in a Government laboratory and subsequently found to be of sub-standard quality.

    In this regard, our Company has not received any official summons or notices as of date.

II. Motor Vehicle Act:

Below are the details of the case filed against our Company under the Motor Vehicle Act:

Jivraj Kushwah, son of Jagannath Kushwah residing at village Thangaon in Maheshwar, Khargone, Madhya Pradesh ('**Applicant**') has filed a claim bearing no. 26/2015 before the IInd Additional Member of Motor Accident Claim Tribunal ('Tribunal') at Khargone, Madhya Pradesh. The claim has been filed alleging that injuries were caused to the Applicant due to rash driving by the driver of the motor vehicle bearing registration no. MP-09-CP-4724 which is owned by our Company.

Our Company has appeared before the Tribunal and submitted its reply in this matter denying the allegations mentioned in the application. We have submitted that the Applicant himself dashed into the company vehicle under the influence of liquor. The application for the claim is pending before the Motor Accident Claim Tribunal at Khargone, Madhya Pradesh.

ii. <u>Other material civil litigation</u>

a. Filed by our Company:

Suits and Petitions

Our Company has filed a special suit no. 305 of 2010 against Astec Life Sciences Limited (‘Astec’) for the recovery of damages and compensation of an amount of ₹ 6564.14 lakhs before the Civil Judge, Senior Division at Aurangabad, Maharashtra.

Our Company had purchased an insecticide namely, ‘Imidachloprid 48 FS’ from Astec which was used for treating our Bt. cotton seeds variety and the Bt. Cotton seeds were then sold in the market.

Subsequently, our Company received complaints/ reports of loss of crops within fifteen days from the date of sowing by farmers. Accordingly, the samples of insecticides supplied by Astec were sent to the Government laboratory for testing to verify the genuineness of the product and it was found to be of sub-standard quality.

Due to this spurious material supplied by Astec, our Company faced monetary and non-monetary losses hence, our Company has claimed a compensation of an amount of ₹6564.14 lakhs from Astec. The civil suit is pending before the Court of Civil Judge Senior Division, Aurangabad.

b. Filed against our Company:

NIL

B. Tax Related Proceedings

Below are the details of pending tax cases involving our Company:

Particulars	**No. of cases**	**Amount Involved**
Direct Tax		
Income tax (FY 2014-15)	1	817.32
TOTAL	**1**	**817.32**
Indirect Tax		
Sales Tax / VAT (FY 2014-15)	1	21.20
TOTAL	**1**	**21.20**

C. Litigations involving our Promoter

There is no litigation or legal action pending or taken by any ministry or department of the Government or statutory authority against our Promoter during the last three years immediately preceding the year of the circulation of this Placement Document and any direction issued by such ministry or department of the Government or statutory authority upon conclusion of such litigation or legal action.

D. Litigation, inquiries, inspections or investigations under the Companies Act against our Company and / or its subsidiaries

There is no litigation, inquiries, inspections or investigations under the Companies Act initiated and/or taken against our Company in the last three years.

E. Prosecutions filed against, penalties and fines imposed on, or compounding of offences by our Company and / or our Subsidiaries

There are no prosecutions filed against, fines imposed on, or compounding of offences by our Company in the last three years.

F. Material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company

There have been no material frauds committed against our Company in the last three years.

G. Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of this Placement Document and of their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks

Except as provided in the section titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 66, there are no reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of this Placement Document.

INDEPENDENT ACCOUNTANTS

Our Company's Audited Financial Statements and the Reviewed Financial Statement have been included in this Placement Document. The financial statements of our Company as of and for the years ended March 31, 2015, March 31, 2016 and March 31, 2017 included herein have been prepared in accordance Indian GAAP. The Reviewed Financial Statement included herein has been prepared in accordance with Ind AS.

Our financial statements for Fiscal 2015, 2016 and 2017 have been prepared by M/s. Gautam N. Associates, Chartered Accountants and for six months period ended September 30, 2017, the Reviewed Financial Statements have been prepared by M/s. Ashok. R. Majethia, Chartered Accountants. Please see the chapter titled "*Financial Statements*" on page 176.

GENERAL INFORMATION

1. Our was incorporated as "Shivnath Farms Private Limited" on July 14, 1993 as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai. Pursuant to conversion of our Company to a public limited company the name of our Company was changed to "Shivnath Farms Limited" and a fresh certificate of incorporation reflecting the new name was issued by the RoC on September 13, 2000. Thereafter, the name of our Company was changed to "Nath Bio-Genes (India) Limited" and a certificate of incorporation pursuant to change of name was issued by RoC on March 5, 2001. Our CIN is L01110MH1993PLC072842.

2. Our authorized capital is ₹ 2,100.00 Lacs divided into (a) 2,05,00,000 Equity Shares of ₹ 10 each and (b) 50000 16% Cumulative Redeemable Preference Shares of ₹ 100 each. As on the date of this Placement Document, the issued, subscribed and paid-up share capital of our Company is ₹ 1,600.40 lacs comprising of 1,60,04,000 Equity Shares of ₹ 10 each. For further details please see section "*Capital Structure*" beginning on page 63.

3. Our Registered Office is located at Nath House, Nath Road, Aurangabad – 431 005, Maharashtra, India.

4. Under our Memorandum of Association, our principal objects are to carry out the business described in the section "*Business*". The objects are set out in Clause III of our Memorandum of Association.

5. The Issue was authorized and approved by the Board pursuant to a resolution passed on December 8, 2017, and the shareholders of our Company *vide* a special resolution passed at the Extra-ordinary General Meeting held on January 5, 2018.

6. The Equity Shares are listed and traded on the BSE and NSE and we have applied for in-principle approvals from the Stock Exchanges under regulation 28(1) of the Listing Regulations with the Stock Exchanges for the issue of the Equity Shares and have obtained in-principle approvals on January 18, 2018. We will apply for listing and final approvals to list our Equity Shares to be issued in the Issue on the BSE and the NSE.

7. Copies of our Memorandum of Association and Articles of Association will be available for inspection during usual business hours on any weekday (except Saturdays and public holidays) during the offering period at our Registered Office.

8. Other than as set forth in this Placement Document, there has been no significant change in our financial results since March 31, 2017, the date of our last audited financial statements.

9. Except as disclosed in this Placement Document, we are not involved in any material legal proceedings and we are not aware of any threatened legal proceedings, which, if determined adversely, could result in a material adverse effect on our business, financial condition or results of operations.

10. Our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.

11. Our Company's statutory auditor M/s. Ashok R. Majethia, Chartered Accountants have consented to the inclusion of their reports on (i) the unaudited Financial Statements for the six months period ended September 30, 2017 and (ii) certificate on the statement of tax benefits dated January 16, 2017 in connection with the Issue. Further, M/s. Gautam N. Associates, Chartered Accountants, have consented to inclusion of their reports on the Audited Financial Statements for Fiscals 2015, 2016 and 2017.

12. Our Company confirms that it is in compliance with minimum public shareholding requirements as specified under the SCRR and as required under the Listing Regulations.

13. Our Company and the BRLM accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including our website www.nathbiogenes.com, would be doing so at his or her own risk.

14. The Floor Price for the Issue is ₹ 468.69 per Equity Share calculated in accordance with Regulation 85 of the ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 85 of the ICDR Regulations.

15. Details of the Compliance Officer:

    Laveena Chanchlani
    Company Secretary and Compliance Officer
    Address: Nath House, Nath Road
    Aurangabad – 431 005
    Maharashtra, India
    Tel: +91 240 2376314-17
    Fax: +91 240 2376188
    Email: investor@nathbiogenes.com

FINANCIAL STATEMENTS

ASHOK R. MAJETHIA
BCom. F.C.A
CHARTERED ACCOUNTANT

Ashok R. Majethia & Co.
Chartered Accountants
Utsav Complex,
Office No. 7, Bazar Peth,
Dist. Raigad, Khopoli – 410 203
Tel :- (02192) 269908
Mobile :- 9404711539 / 9372169952
Email :- ashokmajethia@redifmail.com

LIMITED REVIEW REPORT

To
The Board of Directors of
Nath Bio-genes (India) Limited

1. We have reviewed the accompanying statement of unaudited financial results for the quarter ended 30th September, 2017 (the Statement) of NATH BIO-GENES (INDIA) LIMITED (the Company). This statement has been prepared by the Company pursuant to regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the "Listing Regulation, 2015" read with SEBI circular dated July 05, 2016 which has been initialed by us for identification purposes.

   The statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Further, the management is also responsible to ensure that Company's Accounting Policies used in preparation of this statement are consistent with those used in the preparation of companies opening unaudited balance Sheet as at 1st April 2017 prepared in accountance with Companies (Ind-AS) Rules 2015 prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies. Our responsibility is to issue a report on the statements based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement.

3. A review is limited primarily to enquiries of the company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with Ind-AS and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of regulation 33 of the Listing Regulations, 2015 read with SEBI Circular dated 5th July 2015 including the manner in which it is to be disclosed, or that it contains any material mis-statement.

For Ashok R.Majethia & Co.
Chartered Accountants
(Registration No. 127769W)

ASHOK R. MAJETHIA CHARTERED ACCOUNTANT M.NO.124781 KHOPOLI

Ashok R.Majethia
Proprietor
M.No. 124781

Place: Aurangabad
Date: 28.10.2017

NATH SEEDS™

Nath Bio-Genes (I) Ltd.

(CIN L01110MH1993PLC072842)

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND 3 MONTHS ENDED 30/09/2017

Rs in Lacs

S. No.	Particulars	Quarter Ended			Half year Ended		Year Ended
		30/09/2017 Unaudited	30/06/2017 Unaudited	30/09/2016 Unaudited	30/09/2017 Unaudited	30/09/2016 Unaudited	31/03/2017 Audited
I	**Income From Operations**						
	(a) Net Sales / Income from operations	1439.14	10149.65	1645.30	11588.79	10078.29	16972.56
	(b) Other Operating Income	4.53	5.35	15.13	9.88	27.11	65.91
	Total Income from Operations	**1443.67**	**10155.00**	**1660.44**	**11598.67**	**10105.40**	**17038.47**
II	**Expenses**						
	a) Cost of Material Consumed	289.11	1569.88	1410.79	1858.99	3392.24	5845.98
	b) Purchase of Stock-in-Trade	0.00	18.43	0.00	18.43	0.00	196.52
	c) Changes in Inventory	(3.26)	3761.44	(787.01)	3758.18	977.60	1040.42
	d) Employee benefit expense	382.62	383.65	387.94	766.27	831.72	1373.61
	e) Finance Cost	267.32	285.40	175.31	552.72	409.59	965.71
	f) Depreciation & Amortisation	25.00	25.00	241.57	50.00	175.34	303.04
	g) Selling & Distribution Expenses	72.95	1758.19	75.34	1831.14	2304.60	3903.67
	h) Other Expenditure	49.68	321.31	76.59	370.99	284.91	1727.25
	Total Expenses	**1083.43**	**8123.29**	**1580.53**	**9206.72**	**8376.00**	**15356.19**
III	**Profit / (Loss) before Exceptional Items & Tax (I - II)**	360.25	2031.70	79.91	2391.95	1729.40	1682.28
IV	Exceptional Items Income/(Expenses)	0.00	(13.86)	0.08	(13.86)	0.08	6.94
V	**Profit / (Loss) before Tax (III-IV)**	360.25	2045.56	79.83	2405.81	1729.32	1675.34
VI	Tax expense	4.62	28.05	0.00	32.67	0.00	47.10
VII	**Net Profit / (Loss) for the period (V-VI)**	355.63	2017.51	79.83	2373.14	1729.32	1628.25
VIII	Other Comprehensive Income (Items that will not be classified to Profit & Loss)	0.00	0.00	0.00	0.00	0.00	0.00
IX	**Total Comprehensive Income for the period (VII + VIII)**	**355.63**	**2017.51**	**79.83**	**2373.14**	**1729.32**	**1628.25**
X	Paid Up Equity Share Capital (Face Value Rs. 10/- each)	1600.40	1600.40	1600.40	1600.40	1600.40	1600.40
XI	Reserves (excluding Revaluation Reserves) as per balance sheet of	14531.38	14175.75	12259.32	14531.38	12259.32	12158.24
XII	Earning per share (of Rs 10/- each) (not annualised) Basic & Diluted	2.22	12.61	0.50	14.83	10.81	10.17

NOTES:

(1) Above financial results are taken on record by the Board of Directors in their meeting held on 28th October 2017.

(2) The company is constantly improving its Product Mix for better profits and launching new research products in various crops.

(3) The company is dealing in one major product segment, i.e. Seed Cultivation.

(4) The Company has commenced accounting as per IAS from 1 Apr 2017.

(5) Investor complaints - Opening Balance - 0, Received and Solved - 1, Closing Balance - 0

FOR NATH BIO-GENES (INDIA) LTD

Place : Aurangabad

Date : 28th October 2017

Satish Kagliwal
MANAGING DIRECTOR
DIN 00119601

Regd. Office : Nath House, Nath Road, Aurangabad - 431005 (MS)
www.nathbiogenes.com

ASHOK R. MAJETHIA & CO.
Chartered Accountants

ASHOK R. MAJETHIA
PROPRIETOR
MEMBERSHIP NO. 124781

ASHOK R. MAJETHIA
CHARTERED ACCOUNTANT
M.NO. 124781
KHOPOLI

Nath Bio-Genes (India) Limited

Standalone Statement of Assets and Liabilities

Rs. In Lacs

	Particulares	As at quarter end 30.09.2017	As at previous year end 31.03.2017
		(Unaudited)	(Audited)
A	EQUITIES AND LIABILITIES		
	1. Shareholders' Fund		
	(a) Share capital	1600.40	1600.40
	(b) Reserves and Surplus	14534.49	12158.24
	(c) Money received against share warrants	0.00	0.00
	Sub-total - Shareholders' Fund	16134.89	13758.64
	2. Share application money pending for allotment	0.00	0.00
	3. Minotiries Interest	0.00	0.00
	4. Non-current liabilities		
	a) Long Term Borrowings	1788.94	2006.71
	b) Deferred Tax Liabilities	0.00	0.00
	c) Other Long Term Liabilities	0.00	0.00
	d) Long Term Provisions	220.65	200.65
	Sub-total - Non-current liabilities	2009.59	2207.36
	5. Current Liabilities		
	a) Short Term Borrowings	5434.71	4860.88
	b) Trade Payables	3675.21	4435.28
	c) Other Current Liabilities	2028.27	3418.67
	d) Short Term Provisions	287.25	254.59
	Sub-total - Current liabilities	11425.44	12969.42
	TOTAL - EQUITY AND LIABILITIES	29569.92	28935.42
B	ASSETS		
	(1) Non Current Assets		
	a) Fixed Assets	4117.61	4156.59
	b) Non Current Investments	499.69	499.68
	c) Deferred Tax Assets (Net)	85.41	85.41
	d) Long Term Loans and Advances	0.00	0.00
	e) Other Non Current Assets	0.00	0.00
	Sub-total - Non Current Assets	4702.71	4741.68
	(2) Current Assets		
	a) Current Investments	0.00	0.00
	b) Inventories	10620.50	13015.09
	c) Trade Receivables	7380.09	5182.46
	d) Cash and Cash Equivalents	305.63	584.70
	e) Short Term Loans and Advances	6455.15	5308.44
	f) Other Current Assets	105.84	103.06
	Sub-total - Current Assets	24867.21	24193.75
	TOTAL ASSETS	29569.92	28935.42
		0.00	0.00

FOR NATH BIO-GENES (INDIA) LTD

Satish Kagliwal
MANAGING DIRECTOR
DIN 00119601

Place : Aurangabad
Date : 28 October 2017

ASHOK R. MAJETHIA & CO.
Chartered Accountants

ASHOK R. MAJETHIA
PROPRIETOR
MEMBERSHIP NO. 124781

ASHOK R. MAJETHIA CHARTERED ACCOUNTANT M.NO. 124781 KHOPOLI

Gautam N Associates
Chartered Accountants
30, GNA House, Behind ABC Complex,
Manmandir Travels Lane, Adalat Road, Aurangabad - 431 001

Independent Auditor's Report

To,
The Members of
Nath Bio-genes (I) Limited
Aurangabad

Report on the Financial Statements

We have audited the accompanying financial statements of Nath Bio-genes (I) Limited having CIN: L01110MH1993PLC072842 ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and rules made there-under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

GAUTAM N. ASSOCIATES CHARTERED ACCOUNTANTS AURANGABAD

Mumbai Office : 404, Neelkanth Business Park, 'A' - Wing, Vidyavihar Rly Station (W), Mumbai-86. : +91 97642 43800

gnandawat@yahoo.in • gnabackoffice@gmail.com
0240-2343800, +91 98223 43800

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit qualified opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to :-

Note No 32 to the financial statements which describes that Trade Receivable, Trade Payable, Unsecured Loans, certain current account balances with banks, Deposits, Loans and Advances are subject to confirmation and reconciliation.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A", a statement on the matters specified in paragraph 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of written representations received from the directors as on 31st March, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in Annexure "B"; and

g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:

   i. the company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note No. 29 to the financial statements.
   ii. Company does not have long term contracts or derivative contracts which require provision.
   iii. there is no amount required to be transferred to investor education and protection fund.
   iv. the company has provided requisite disclosure in its financial statements as to holding as well as dealing in the specified bank notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note No 42 to the financial statements.

For Gautam N Associates
Chartered Accountants
FRN 103117W

Gautam Nandawat
Partner
Membership No 032742

Place: Aurangabad
Dated: 30.05.2017

ANNEXURE "A" TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2017, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) The company has regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its business.

   (c) According to the information and explanations given to us, and on the basis of our examination of the record of the company, the title deeds of the immovable properties are held in the name of the company; however, registration of title deeds is pending in respect of various pieces of land purchased in the immediate preceding financial year situated at Village Dhangaon and Shahapur-Wahegaon, Tq. Paithan, Dist. Aurangabad admeasuring 35.97 hectares and also purchased during the year situated at Wahegaon Tq Paithan Dist Aurangabad admeasuring 16.08 hectares and at Village Isarwadi Tq Paithan Dist Aurangabad admeasuring 5.72 hectares.

2. The inventory has been physically verified during the year by the management. The discrepancies noticed on verification between the physical stocks and book records were not material, which have been properly dealt with in the books of account.

3. As per the information and explanations given to us, the Company has granted non-interest bearing unsecured loans to two companies covered in the register maintained under section 189 of the Act. The terms and conditions of the grant of such loans are not prejudicial to the interest of the company looking to long term business exigencies/purposes.

   No formal schedule of repayment has been made for repayment of the principal amount and as such in absence of such schedule, we are unable to comment if the same are being repaid timely.

   As explained, there is no overdue amount for more than ninety days. All the loans where amount is more than rupees one lakh, reasonable steps have been taken by the company for recovery of the principal and interest, where applicable.

4. The company has not granted any loans or advances covered under section 185 of the Act. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 186 of the Act with respect to the loans except non-charging of interest.

5. The Company has not accepted deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

6. No maintenance of cost records has been specified by the Central Government under section 148(1) of the Act for the products of the company.

GAUTAM N. ASSOCIATES

7. (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.

   b) There are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in payment of dues to financial institution or bank or debenture holders.

9. The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Further, the term loans were applied for the purpose for which those are raised.

10. No fraud on or by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.

11. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.

12. The company is not a Nidhi Company as such provisions of the clause (xii) are not applicable to the company.

13. All transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

15. The company has not entered into any non-cash transactions with directors or persons connected with him.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Gautam N Associates
Chartered Accountants
FRN 103117W

Gautam

Gautam Nandawat
Partner
M No 32742

Place: Aurangabad
Date: 30.05.2017

ANNEXURE "B" TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Nath Bio-genes (I) Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

GAUTAM N. ASSOCIATES AURANGABAD

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Gautam N Associates
Chartered Accountants
FRN 103117W

Gautam Nandawat
Partner
M No 32742

Place: Aurangabad
Date: 30.05.2017

NATH BIO-GENES (INDIA) LIMITED
BALANCE SHEET AS AT 31 MARCH, 2017

PARTICULARS	NOTE NO	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
a) Share Capital	3	1600,40,000	1600,40,000
b) Reserves & Surplus	4	12158,24,111	10529,99,520
c) Money Received against share warrant		-	-
		13758,64,111	12130,39,520
(2) Share Application money pending allotment		-	-
(3) Non current Liabilities			
a) Long Term Borrowings	5	2006,71,227	1500,00,000
b) Deferred Tax Liabilities		-	-
c) Other Long Term Liabilities		-	-
d) Long Term Provisions	6	200,65,199	178,64,117
		2207,36,426	1678,64,117
(4) Current Liabilities			
a) Short Term Borrowings	7	4860,88,401	4304,48,150
b) Trade Payables	8	4435,27,645	4795,13,516
c) Other Current Liabilities	9	3418,67,044	3540,21,016
d) Short Term Provisions	10	254,58,622	221,15,322
		12969,41,802	12860,98,003
TOTAL		28935,42,339	26670,01,640
II. ASSETS			
(1) Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	11	4156,59,127	2843,90,671
ii) Intangible Assets	11	-	202,44,951
iii) Capital Work In Progress		-	-
iv) Intangible assets under development		-	-
		4156,59,127	3046,35,622
b) Non Current Investments	12	499,68,075	25,675
c) Deferred Tax Assets (Net)	13	85,40,546	86,86,266
d) Long Term Loans and Advances	14	-	1009,50,643
e) Other Non Current Assets		-	-
		585,08,621	1096,62,584
(2) Current Assets			
a) Current Investments	15	-	499,40,000
b) Inventories	16	13015,09,435	14073,96,050
c) Trade Receivables	17	5182,45,541	4531,14,589
d) Cash and Cash Equivalents	18	584,69,697	122,44,698
e) Short Term Loans and Advances	19	5308,43,960	3206,19,268
f) Other Current Assets	20	103,05,958	93,86,838
		24193,74,592	22527,03,434
TOTAL		28935,42,340	26670,01,640
NOTES FORMING PART OF THE FINANCIAL STATEMENTS			

AS PER OUR ATTACHED REPORT OF EVEN DATE
Per Gautam N Associates
FRN: 103117W
Chartered Accountants

Gautam Nandawat
Partner
M No 32742

Place : Aurangabad
Dated: 30th May 2017

For and on behalf of the Board of Directors

Satish Kagliwal
Managing Director
DIN: 00119601

Nandkishor Kagliwal
Director
DIN:01691691

Devinder Khurana
Chief Finance Officer

Lareena Chanchalani
Company Secretary

GAUTAM N. ASSOCIATES
AURANGABAD

NATH BIO-GENES (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 MARCH, 2017

PARTICULARS	NOTE NO.	For year ended on 31st March 2017 (Rs.)	For year ended on 31st March 2016 (Rs.)
Revenue from operations	21	16972,55,788	16210,59,367
Other Income	22	65,90,952	70,81,986
		17038,46,740	16281,41,353
EXPENDITURE			
Purchase of stock in trade		196,52,770	436,00,859
Production Expenses	23	4773,45,660	6147,61,939
Change in Inventories	24	1040,42,305	-2442,00,309
Employees Benefits Expenses	25	1373,60,521	1365,44,163
Finance Costs	26	965,70,914	623,09,122
Depreciation and Amortization	11	303,03,746	390,48,408
Other Expenses	27	6703,43,484	8253,14,811
		15356,18,701	14771,78,994
PROFIT FOR THE YEAR BEFORE PRIOR YEAR EXPENSES		1682,28,040	1509,63,359
Prior Year Expenses	28	6,93,669	1,87,637
PROFIT /(LOSS) BEFORE TAX		1675,34,371	1507,74,722
Tax Expenses			
Provision for Income Tax		45,64,059	86,09,712
Provision / (Reversal of Provision) for Income Tax of earlier years		-	-13,82,131
Provision for Deferred Tax (Assets)		1,45,720	18,72,549
Profit for the year		1628,24,592	1416,24,592
Earning Per Shares - Basic		10.17	8.85
- Diluted		10.17	8.85

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

AS PER OUR ATTACHED REPORT OF EVEN DATE

For Gautam N Associates
FRN: 103117W
Chartered Accountants

For and on behalf of the Board of Directors

Gautam

Gautam Nandawat
Partner
M No 32742

Satish Kagliwal
Managing Director
DIN: 00119601

Nandkishor Kagliwal
Director
DIN:01691691

Devinder Khurana
Chief Finance Officer

Laveena Chanchalani
Company Secretary

Place : Aurangabad
Dated: 30th May 2017

GAUTAM N ASSOCIATES
M.NO. 32742
AURANGABAD

Note No .1 : GENERAL INFORMATION

The Company is incorporated under the Companies Act, 1956 and engaged in the business of Production, Processing, and Marketing of Hybrid and GM Seeds. The Company has a product range of Field crops, Vegetable crops and Micro Nutrient Supplements. The major Processing Plants are situated at Aurangabad (MS), and Munipalli, Nizamabad (TG). The company has a Pan India presence for sales through an extensive network of distributrs.

Note No 2-

SIGNIFICANT ACCOUNTING POLICIES:

A GENERAL

i) The financial statements are prepared on historical cost basis in accordance with applicable Accounting Standards and on accounting principles of a going concern. These financial statements have been prepared to comply with all material aspects with the accounting standards notified under section 133 of the Act. ((the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Act.

ii) Interest on overdue debtors is accounted for as and when received, as the collection cannot be ascertained with reasonable certainty

iii) Sales return are accounted for / provided for in the year in which they pertain to, as ascertained till finalization of the books of account.

iv) Compensation on account of crop quality discounts are accounted for as and when settled

v) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

B FIXED ASSETS:

1) Fixed Assets are stated at cost including freight, duties, taxes and all incidental expenses related thereto.

2) New product development expenditure is capitalized to Seed Development Know-how. The same is written off in ten equal yearly installments commencing from the year of acquisition / incurring such expenditure.

C CAPITAL WORK-IN-PROGRESS

Expenditure related to and incurred during the implementation of the projects is included under Capital Work-in-Progress and the same are capitalized under the appropriate heads on completion of the projects.

D DEPRECIATION / AMORTIZATION

i) Depreciation on Fixed Assets, except for Intangible Assets, Development and Research Assets (Seed Development Know How & Gene Development Know-How), is provided for on basis of useful life specified in Schedule II to the Act.

ii) Intangible assets such as Brands, Trade Marks, Marketing Rights, Seed Development Know-How are amortized in ten equal yearly installments commencing from the year in which the tangible benefits start accruing to the Company from such assets

iii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of assets. The useful life is adopted for the purpose of depreciation is as under.

Assets	**Useful life year**
i) Factory Building	30
ii) Plant & Machineries	15
iii) Laboratory Equipment	10
iv) Agricultural Equipments	15
v) Office Equipments	15
vi) EDP Equipments	3
vii) Furniture & Fixture	10
viii) Motor Car & Light Vehicle	8

E RESEARCH AND DEVELOPMENT EXPENDITURE:

The research expenditure incurred has been charged off to the Statement of Profit & Loss.

F **INVENTORIES:**

i) The inventories including sales returns are valued at lower of cost and net realizable value. Cost is assigned on weighted average basis. Obsolete, defective and unserviceable stocks are provided for.

ii) Cost of finished products comprises the cost of processing and other cost incurred in bringing the inventories to their present location & condition.

G **FOREIGN CURRENCY TRANSACTIONS:**

i) Transactions in foreign currency are recorded at the rate prevailing on the date of the transaction.

ii) Current Assets and Current Liabilities in foreign currency outstanding as at the year-end are stated at the rates of exchange prevailing at the close of the year. The resultant gains/losses of the year are recognized in the Statement of Profit and Loss.

H **GOVERNMENT GRANTS**

i) Grants are accounted for where it is reasonably certain that the ultimate collection will be made.

ii) Grants relating to Fixed Assets in the nature of Project Capital Subsidy are credited to Capital Reserve.

iii) Others are credited to Statement of Profit and Loss.

I **RETIREMENT BENEFITS:**

Liability as at the year end in respect of retirement benefits is provided for and/ or funded and charged to Statement of Profit and Loss as follows:

i) Provident Fund / Family Pensions:

At a percentage of salary/wages for eligible employees.

ii) Gratuity

The liability in respect of future payment of gratuity is changed and the same is provided based on the actuarial valuation.

iii) Leave Encashment

The liability in respect of accumulated leave of the employees is provided based on the actuarial valuation.

G **BORROWING COST**

Borrowing cost directly attributable to acquisition, construction, production of qualifying assets are capitalized as a part of the cost of such assets up to the date of completion. Other borrowing costs are charged to Statement of Profit and Loss.

K **TAXATION**

i) Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of Income Tax Act 1961.

ii) Deferred tax for timing difference between tax profit and book profit is accounted for using the tax rates and laws as have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that these assets can be realized in future and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

L **AGRICULTURAL ACTIVITIES**

i) Income from the agricultural activities is accounted for up to the stage of dispatch of goods by the Company to the cutomer after processing.

ii) Expenses which are directly related to the agricultural activities have been accounted for in the books of account under the respective activities. Expenses which are not related to the specific activities are allocated on the basis of turnover (net of return and Schemes & Discounts) of Agricultural activities and Trading activities.

iii) Certain unallocable expenses like extra-ordinary items / prior year expenses are not allocated.

M **EARNING PER SHARE**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year attributable to equity share holders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

GAUTAM N. ASSOCIATES
CHARTERED ACCOUNTANTS
M. No. 32742
AURANGABAD

NOTE -- 3
SHARE CAPITAL

PARTICULARS	AS AT 31st MARCH 2017		AS AT 31st MARCH 2016	
	Number	Amount in Rs	Number	Amount in Rs
Authorized				
Equity Shares of Rs.10 each	165,00,000	1650,00,000	165,00,000	1650,00,000
16% Cumulative Redeemable Preference Shares of Rs.100 each	50,000	5,00,000	50,000	5,00,000
	165,50,000	1655,00,000	165,50,000	1655,00,000
Issued, Subscribed & Paid up				
Equity Shares of Rs.10 each	160,04,000	1600,40,000	160,04,000	1600,40,000
TOTAL	160,04,000	1600,40,000	160,04,000	1600,40,000

(a) The Reconciliation of the numbers of Shares outstanding is stated below:-

PARTICULARS	AS AT 31st MARCH 2017		AS AT 31st MARCH 2016	
	Number	Amount in Rs	Number	Amount in Rs
Equity Shares				
Shares outstanding at the beginning of the year	160,04,000	1600,40,000	160,04,000	1600,40,000
Shares Issued during the year	-	-	-	-
Shares Bought-back during the year	-	-	-	-
Shares outstanding at the end of the year	160,04,000	1600,40,000	160,04,000	1600,40,000

(b) Equity shareholder is eligible for one vote per share held. They are eligible for dividend on the basis of their shareholding. In the case of liquidation, the equity shareholder are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

(c) Details of Shareholders holding more than 5% Shares in the company

Name of the shareholder	AS AT 31st MARCH 2017		AS AT 31st MARCH 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
a) Akash Farms Pvt Ltd	18,38,877	11.49	18,38,877	11.49
b) Ashu Farms Pvt Ltd	19,88,449	12.42	19,94,829	12.46
c) ARC Trust Fund	25,41,310	15.88	28,21,310	17.63
d) Agri-Tech India Ltd	19,78,690	12.36	19,78,690	12.36

NOTE -- 4
RESERVES & SURPLUS

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
Capital Reserve :		
	1264,00,203	1264,00,203
General Reserve	297,00,000	297,00,000
Statement of Profit & Loss		
Opening Balance	8968,99,317	7552,24,725
Add: Profit for the year	1628,24,592	1416,74,592
Closing Balance	10597,23,908	8968,99,317
	12158,24,111	10529,99,520

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 5
LONG TERM BORROWINGS

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
SECURED LOANS		
Term Loan against Vehicles Secured by hypothecation of vehicles purchased in the name of company/ directors of the company.	6,71,227	-
Term Loan from IFCI Venture Capital Funds Ltd Secured by Equitable Mortgage of non-agricultural land situated at Gut No 62/3, admeasuring 2 Acre 13 Gunthas and Gut No 63 (part) admeasuring 3100 Square Meter, Itkheda, Aurangabad and also pledge of fixed deposit of Rs. 88,74,315. The Loan is personal guaranteed by two promoter directors of the Company.	2000,00,000	1500,00,000
	2006,71,227	1500,00,000

NOTE -- 6

LONG TERM PROVISIONS

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
Provisions for Employee Benefits		
Gratuity	137,99,030	123,83,113
Leave encashment	62,66,169	54,81,004
	200,65,199	178,64,117

NOTE -- 7

SHORT TERM BORROWINGS

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
SECURED		
a) From bank	4269,17,204	3895,33,700
(Secured by way of hypothecation of stock of seeds and trade receivables; collaterally secured by way of mortgage of land and building situated at Gut No 64/2 (part) Itkeda, Aurangabad. Further, loan is secured by way of pledge of stock. Also personally guaranteed by two promoter directors of the Company)		-
UNSECURED		
a) Deposits from Dealers	347,71,923	387,14,450
b) From Others	243,99,365	22,00,000
	4860,88,491	4304,48,150

NOTE -- 8

TRADE PAYABLES

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
Sundry Creditors for Seeds/Supplies	3411,52,116	3936,32,253
Sundry Creditors - SME Sector	42,43,544	73,55,926
Sundry Creditors for staff balances	615,21,995	438,18,405
Others Creditors	366,09,990	347,06,931
	4435,27,645	4795,13,516

NOTE -- 9

OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
Current maturities of long term debts		
Term Loan from Banks	500,00,000	-
Vehicle Loan	10,83,672	74,66,202
Deferred Sales Tax Loan	-	52,383
Other Payables		
Credit Balance in Debtors	73,07,206	567,59,128
Statutory Liabilities	192,26,957	188,72,068
Advance against Sales	2617,33,787	2708,71,235
Payable against land purchase	25,15,422	-
	3418,67,044	3540,21,016

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 10

SHORT TERM PROVISIONS

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
Provision for Income Tax	218,59,477	172,95,418
Provisions for Employee Benefits		
Gratuity	26,68,883	37,51,215
Leave encashment	9,30,262	10,68,689
	254,58,622	221,15,322

SCHEDULE - 11

NATH BIO-GENES (INDIA) LIMITED

Amount in Rupees

PARTICULARS	GROSS BLOCK AS AT 01.04.2016	GROSS BLOCK ADDITION DURING	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	DEPRECIATION / AMORTISATION UPTO 31.03.2016	ADJUSTMENT	FOR THE PERIOD	DEDUCTION	UP TO 31.03.2017	NET BLOCK AS AT 31.03.2017	NET BLOCK AS AT 31.03.2016
TANGIBLE ASSETS											
Freeehold Land	210207595	135000000	0	345207595	0	0	0	0	0	345207595	210207595
Factory Building	26238170	0	0	26238170	17002191	0	349292	0	17351483	8886687	9235979
Live Stock	61200	60000	0	121200	0	0	0	0	0	121200	61200
Plant & Machineries	81145291	1572771	0	82718062	55479103	0	2345210	0	57824313	24893748	25666187
Laboratory Equipment	15121592	0	0	15121592	12724794	0	354692	0	13079486	2042106	2396798
Agricultural Equipments	1057653	86950	0	1144603	344126	0	61714	0	405840	738763	713527
Office Equipments	3595865	119881	0	3715746	1827362	0	157597	0	1984959	1730787	1768503
							0				
EDP Equipments	26079861	658105	28571	26709395	24028875	0	1022034	4698	25046211	1663184	2050986
Furniture & Fixture	6824311	300471	0	7124782	6100441	0	105777	0	6206218	918564	723870
Motor Car & Light Vehicle	69721923	4411388	3379564	70753747	38155897	0	5662479	2521122	41297254	29456493	31566026
TOTAL (A)	440053461	142209566	3408135	578854892	155662790	0	10058795	2525820	163195765	415659127	284390671
INTANGIBLE ASSETS											
Brands, Trademarks and Marketing Rights	206125000	0	0	206125000	189787500	0	16337500	0	206125000	0	16337500
Seed Development Know Ho	174118468	0	0	174118468	170211017	0	3907451	0	174118468	0	3907451
TOTAL (B)	380243468	0	0	380243468	359998517	0	20244951	0	380243468	0	20244951
GRAND TOTAL (A) + (B)	820296929	142209566	3408135	959098360	515661307	0	30303746	2525820	543439233	415659127	304635622
PREVIOUS YEAR	606361817	216174087	2238975	820296929	478407570	0	39048408	1794671	515661307	304635622	
										0	

Notes:

1. Intangible assets such as brands, trade marks & marketing rights are amortized in ten equal yearly instalments commencing from the year of acquisition by Nath Seeds Ltd (Demerged Company). Refer Note No 2 (D) (ii).

2. Freehold land purchased from Agri Tech (India) Ltd, a related party, during the year admeasuring 22.65 Hectares (Previous year 35.97 hectares) is yet to be registered in the name of Company with the Sub-Registrar of the land registry.

NOTE NO – 12 :
NON CURRENT INVESTMENTS

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
UNQUOTED; AT COST; NON-TRADE		
Nath Cooperative Society	18,000	15,600
(1800 (Previous year : 1560) equity shares of Rs. 10 each)		
National Saving Certificate	10,075	10,075
UNQUOTED; AT COST; TRADE		
Investment in Associate Company holding 21.76% (Previous year: 32.75%) in the paid up capital of investee company		
Equity shares in Paithan Mega Food Parks Pvt Ltd	499,40,000	-
49,94,000 Equity shares of Rs. 10 each		
	499,68,075	25,675

NOTE -- 13
DEFERRED TAX ASSETS

Calculation of Deferred Tax Asset as on 31.03.2017 is given as under: -	Deferred Assets (Rs.)	Deferred Tax (Rs.)
Liability:-		
WDV of Fixed Asset	42,70,293	13,19,521
Assets:-		
Gratuity	164,67,913	50,88,585
Leave Encashment	71,96,431	22,23,697
Expenses disallowed u/s 43B of Income Tax Act	82,45,258	25,47,785
Total Deferred Tax assets at the year end		85,40,546
Less: Opening deferred tax assets		86,86,266
Deferred Tax Assets recognized during the year		-1,45,720

NOTE -- 14
LONG TERM LOANS AND ADVANCES

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
(Unsecured, Considered good)		
Capital Advances for land purchase from a related party	-	1009,50,643
	-	1009,50,643

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 15
CURRENT INVESTMENTS

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
UNQUOTED; AT COST; TRADE		
Investment in Associate Company holding 21.76% (Previous year: 32.75%) in the paid up capital of investee company		
Equity shares in Paithan Mega Food Parks Pvt Ltd	-	499,40,000
49,94,000 Equity shares of Rs. 10 each		
	-	499,40,000

NOTE -- 16
INVENTORIES

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
(As taken, valued and certified by the management)		
Stores and Packing Materials	461,44,707	479,91,017
Processed Seeds	11806,81,317	12002,41,713
Unprocessed Seeds	438,98,411	1158,86,320
Seed (Traded Stock)	68,87,000	110,20,000
Plant Nutrient Supplement	238,98,000	322,59,000
	13015,09,435	14073,98,050

NOTE -- 17
TRADE RECEIVABLE

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
i) Secured: Considered Good		
Due for a year of less than six months	415,81,770	581,99,598
Due for a year of more than six months	51,51,442	95,91,310
ii) Unsecured: Considered Good		
Due for a year of less than six months	3780,61,200	2866,77,424
Due for a year of more than six months	934,51,129	986,46,257
ii) Unsecured: Considered doubtful:		
Due for a year of more than six months	164,80,371	163,61,831
Less: Provision for doubtful debtors	(164,80,371)	(163.61.831)
	5182,45,541	4531,14,589

NOTE -- 18

CASH AND CASH EQUIVALANTS

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
Cash on hand	302,53,535	3,72,731
Balances with Banks:		
i) In Current Accounts	186,83,597	64,03,981
ii) In Fixed Deposit Accounts having original maturity beyond 12 months	95,32,565	54,67,986
(The fixed deposit amouting to Rs.88,74,315 (Previous Year 54,46,233) is lien marked in favour of IFCI Venture Capital Funds Limited)		
	584,69,697	122,44,698

NOTE -- 19

SHORT TERM LOANS AND ADVANCES

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
(Unsecured, Considered good)		
	-	-
Advances to a related party	1238,05,319	976,42,860
Advances against seed production	3324,82,772	1766,75,129
Advances against purchase	114,07,525	130,47,210
Advances to Staff	89,93,169	16,32,450
Balances with Income Tax department	541,55,175	316,21,619
	5308,43,960	3206,19,268

NOTE -- 20

OTHER CURRENT ASSETS

PARTICULARS	AS AT 31ST MARCH 2017 (Rs.)	AS AT 31ST MARCH 2016 (Rs.)
VAT Receivable	59,66,081	51,20,920
Sundry Deposits	14,80,467	17,18,417
Insurance claim receivable	4,58,277	-
Prepaid Expenses	24,01,108	25,47,465
Others	25	25
	103,05,958	93,86,828

NOTE -- 21

REVENUE FROM OPERATIONS

PARTICULARS	For year ended on 31st March 2017 (Rs.)	For year ended on 31st March 2016 (Rs.)
Sale of Agricultural Products		
Commercial seeds and Remnant	15524,19,660	14648,57,984
Foundation seeds	30,71,128	32,33,382
	15554,90,788	14680,91,367
Trading of agricultural products	1417,65,000	1529,68,000
	16972,55,788	16210,59,367

NOTE -- 22

OTHER INCOME

PARTICULARS	For year ended on 31st March 2017 (Rs.)	For year ended on 31st March 2016 (Rs.)
Interest Received	34,610	5,99,140
Profit on Sale of Fixed Assets	88,747	37,894
Insurance claim received	8,43,700	3,67,374
Excess Provision W/back	2,44,196	13,02,589
Exports Incentives	7,87,676	-
Other Income	45,92,023	47,74,989
	65,90,952	70,81,986

NOTE -- 23

PRODUCTION EXPENSES

PARTICULARS	For year ended on 31st March 2017 (Rs.)	For year ended on 31st March 2016 (Rs.)
Land Preparation Expenses	1063,31,777	1327,12,545
Fertilizer & Pesticides	844,81,913	1097,75,013
Labour Wages	1429,30,475	1818,49,087
Lease Rent for agricultural land	700,46,100	915,98,668
Other Farm Expenses	666,48,046	888,71,460
Incentive to Growers	69,07,349	99,55,166
(Also refer note no 37(ii))	4773,45,660	6147,61,939

GAUTAM N. ASSOCIATES ★ AURANGABAD

NOTE -- 24
CHANGE IN INVENTORIES

PARTICULARS	For year ended on 31st March 2017 (Rs.)	For year ended on 31st March 2016 (Rs.)
SEEDS:		
Closing Stock		
Processed Seeds	11806,81,317	12002,41,713
Unprocessed Seeds	438,98,411	1158,86,320
Seed (Traded)	68,87,000	110,20,000
Plant Nutrient Supplement	238,98,000	322,59,000
	12553,64,728	13594,07,033
Opening Stock		
Processed Seeds	12002,41,713	10203,58,593
Unprocessed Seeds	1158,86,320	775,00,101
Seed (Traded)	110,20,000	36,88,000
Plant Nutrient Supplement	322,59,000	136,60,030
	13594,07,033	11152,06,724
	(1040,42,305)	2442,00,309

NOTE -- 25
EMPLOYEES BENEFITS EXPENSES

PARTICULARS	For year ended on 31st March 2017 (Rs.)	For year ended on 31st March 2016 (Rs.)
Salaries, Wages and Bonus	1266,44,224	1210,67,430
Contribution to Provident and Other Funds	49,79,966	49,24,626
Staff Welfare Expenses	37,49,689	44,83,258
Staff Incentive	19,86,642	58,68,849
	1373,60,521	1363,44,163

NOTE -- 26
FINANCE COSTS

PARTICULARS	For year ended on 31st March 2017 (Rs.)	For year ended on 31st March 2016 (Rs.)
Interest Expenses	914,60,718	563,06,552
Finance Charges	51,09,996	60,02,571
	965,70,714	623,09,122

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 27

OTHER EXPENSES

PARTICULARS	For year ended on 31st March 2017 (Rs.)	For year ended on 31st March 2016 (Rs.)
A. Seed Conditioning Expenses		
Freight Inward, Hamali & Cartage	74,43,074	100,07,491
Stores and Processing Materials consumed	673,74,197	716,87,854
Power and Fuel	57,74,027	52,31,628
Repairs and Maintenance (Machinery)	10,85,644	16,43,763
Repairs and Maintenance (Factory Building)	4,34,834	3,70,345
Hamali & Cartage - Processing Plant	66,81,496	120,46,273
Processing Expenses	109,64,922	150,11,371
Other Seed Conditioning Expenses	74,93,733	52,24,618
	1072,51,925	1212,23,343
B. Administrative Expenses		
Rent	159,11,952	186,58,005
Rates and Taxes	21,21,098	12,22,105
Insurance	38,68,591	36,74,177
Legal & Professional Expenses	159,09,102	169,68,539
Repairs and Maintenance - Office Building	4,23,792	8,54,126
Running and maintenance - Vehicle	216,29,136	225,12,438
Repairs and Maintenance - Others	31,55,665	28,02,128
Communication	38,28,871	53,30,528
Printing & Stationery	26,27,911	26,47,408
Auditors' Remuneration:		
Statutory Audit Fee	6,03,750	5,15,250
Tax Audit Fee	1,03,500	1,03,050
Other services	75,000	1,14,250
Directors' remuneration	18,00,000	18,00,000
Miscellaneous Expenses	42,47,508	101,23,804
Bank Charges	7,03,038	11,69,125
Security Charges	41,06,168	10,53,278
Donation	1,50,000	53,601
Corporate Social Responsibilty Expnediture (Refer Note No 45)	44,72,095	-
	857,37,176	896,01,813
C. Selling Expenses		
Travelling and Conveyance	217,60,250	212,23,313
Advertisement and Sales Promotion	181,15,934	178,29,475
Freight Outward	440,48,075	835,53,412
Commission	99,647	1,56,500
Other selling expenses	195,19,765	172,79,302
Bad Debts Provisions	61,69,469	16,44,480
Loss on Sale of Assets	2,35,062	13,902
Royalty	25,65,214	99,63,530
Sundry debit balances written off	9,60,584	28,59,186
	1134,74,000	1545,23,100
D. Discount, Schemes and Incentives		
Cash Discounts	241,82,447	234,88,112
Quantity Discounts	1333,02,258	1216,69,020
Additional Discount	1196,51,826	2036,42,515
	2771,36,531	3487,99,647
E. Research and Development Expenses		
Fieldwork Expenses	365,60,470	512,89,504
Salary, Wages and Other Expenses	376,22,114	485,82,908
Farming Expenses	70,40,698	66,30,159
Workshop & Meeting Exps. - Other than Fees	9,15,690	4,01,338
Sample Testing Charges	46,04,880	42,63,000
	867,43,853	1111,66,909
Total (A+B+C+D+E)	6703,43,484	8253,14,811

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 28

PRIOR YEAR EXPENSES

PARTICULARS	For year ended on 31st March 2017 (Rs.)	For year ended on 31st March 2016 (Rs.)
EXPENSES		
Prior Year Expenses	6,93,669	-
	6,93,669	-
INCOMES		
Excess provision earlier years written back	-	-1,87,637
	-	-1,87,637
	6,93,669	1,87,637

NOTE NO - 29 Contingent liabilities not provided for in respect of:-		Current Year Rs.	Previous Year Rs.
a)	Claims against the Company not acknowledged as debts in respect of legal cases including consumer cases.	137,28,579	105,20,250
b)	Corporate Guarantee given in favour of ICICI Bank towards crop loan taken by the seed growers of the company	3000,00,000	3000,00,000
c)	Corporate Guarantee given in favour of IDBI Bank towards loan taken by Paithan Mega Food Parks Ltd	2000,00,000	2000,00,000

NOTE NO - 30

Capital commitment for land purchase	-	340,49,357

NOTE NO - 31

In the opinion of the Board, Current and Non-current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of the business.

NOTE NO - 32

Certain accounts of Trade Receivable, Trade Payable, Unsecured Loans, Employees, certain current account balances with banks, Loans and Advances (including advances given to growers and inter party transfer & balances) are subject to confirmations and reconciliations, if any. The difference as may be noticed on reconciliation will be duly accounted for on completion thereof. In the opinion of the management, the ultimate difference will not be material.

NOTE NO - 33

Managerial Remuneration:	Current Year (Rs.)	Previous year (Rs.)
Managing Director :-		
Salary & Allowances	1800000	1800000
Contribution to Provident Fund	0	0
	1800000	1800000

NOTE NO - 34

The Company has dispatched letters to certain vendors to ascertain their status under the Micro, Small and Medium Enterprises Development Act, 2006. Based upon the confirmation received from the following parties, the principal dues and interest worked out @36% p.a. thereon is as under:-

Sr No	Name of parties	Amount payable Rs.	Interest due Rs.
1	Balu Industries	8,01,750	2,46,575
2	Gubba Agro Fresh Pvt Ltd	-	1,460
3	Gubba Cold Storage Ltd	-	53,929
4	Integrated Coating & Seed Technology Pvt Ltd	-	5,57,734
5	Jagruti Offset	30,91,794	6,65,003
6	Printwell International Pvt Ltd	-	1,34,416
7	Mars Packaging Industries	3,50,000	1,26,000
	Total (Net)	42,43,544	17,85,117

NOTE NO - 35

The Information related to Segmental Reporting as required to be disclosed in accordance with the accounting standard: 'AS 17-Segment Reporting' are as under:-

(A) Broadly the activity of the company falls within Two segments

Criteria	Segments
Product Base	1. Agricultural Activities (Seed Production)
	2. Trading Activities

(B) The financial data of both segments are as follows

Amount in Rs.

Sr No	Particulars		Agriculture Activities	Trading Activity	Total
a	Segment Revenue (Net of trade discount, Scheme and discounts)				
i	External Sales/income	CY	13176,67,257	1024,52,000	14201,19,257
		PY	11673,51,720	1049,08,000	12722,59,720
ii	Inter-segment Sale		-	-	-
			-	-	-
iii	Other Income	CY	-	65,90,952	65,90,952
		PY	-	70,81,986	70,81,986
	Change in inventory	CY	(915,48,305)	(124,94,000)	(1040,42,305)
		PY	2182,69,339	259,30,970	2442,00,309
iv	Total Revenue	CY	12261,18,952	965,48,952	13226,67,904
		PY	13856,21,059	1379,20,956	15235,42,015
b	Total Revenue of each segment as a percentage of total revenue of all segment	CY	92.70	7.30	
		PY	90.95	9.05	
	Less: Production Expenses /Purchases	CY	5334,60,857	309,11,270	5643,72,127
		PY	6862,45,793	438,04,859	7300,50,652
	Less: Other Expenses	CY	5474,98,341	425,69,397	5900,67,738
		PY	5895,47,343	529,81,661	6425,29,004
c	Segment Result [Profit/(loss)]	CY	1451,59,754	230,68,285	1682,28,040
		PY	1098,27,923	411,34,436	1509,62,359
d	Segment Result as a percentage of segmental result to the Profit	CY	86.29	13.71	
		PY	72.75	27.25	

(c) CY denotes current year and PY denotes previous year.

(d) The allocation of other expenses as mentioned in (B) (b) above, which are not directly relating to specific activity of prouction or trading, have been made by the mangement in the ratio of turnover and relied upon by the auditors.

NOTE NO - 36

In the opinion of the Board, fixed assets have been stated at cost, which is at least equal to or less than the realizable value if sold in the ordinary course of business. Consequently, the management is of the opinion that there is no impairment of assets.

NOTE NO - 37

i The company is engaged in agricultural activities of production of seeds on lease hold land situated at various part of India.

ii The company has entered into agreements with various growers for cultivation and production of agricultural produce in view of the fact that the company itself is unable to carry on such activities which are spread over various parts of India. The company has reimbursed the cultivation expenses based upon the agreements entered into with the growers.

NOTE NO - 38

Employee Benefits

The company has classified the various benefits provided to employees as under

Defined Contribution Plans :

During the year, the Company has recognized the following amounts in the Profit & Loss Account

		Current Year	Previous Year
-	Employers Contribution to Provident Fund	42,99,272	43,22,017
-	Employers Contribution to ESI	1,45,335	0
-	Employers Contribution to Labour Welfare Fund	7,920	9,324

Defined Benefit Plans

The company has neither created fund nor contributed to Scheme framed by the Insurance Company for the defined benefit plans for the qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit credit method with actuarial valuations being carried out at each balance sheet date.

In accordance with accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions: -

Particulars	Current Year	Previous Year
Discount Rate	7.34%	8.08%
Salary escalation rate	6%	6%
Expected rate of return on Plan Assets	-	-
Expected average remaining service of employee in the number of	-	-

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2017

a) Change in Present Value of Defined Benefit Obligation

Particulars	Current Year	Previous Year
Present value of obligations at the beginning of the year	161,34,328	153,14,000
Current Service Cost	15,04,374	17,26,163
Interest Cost	13,03,654	12,25,120
Actuarial (Gain) / Loss	7,73,291	-11,29,568
Benefit paid	-32,47,734	-10,01,387
Present value of obligations at the end of the year	**164,67,913**	**161,34,328**

b) Change in Fair value of plan assets

Particular	Current Year	Previous Year
Fair Value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer's contributions	32,47,734	10,01,387
Actuarial gain / (loss) on plan assets	-	-
Benefit paid	-32,47,734	-10,01,387
Fair value of plan assets at the end of the year	-	-

c) Percentage of each category of plan assets to total fair value of plan assets as at 31st March 2017

Particulars	Current Year	Previous Year
Obligation on the part of the Company	100%	100%

d) Reconciliation of the present value of defined benefit obligations and the fair value of plan assets

Particulars	Current Year	Previous Year
Present value of funded obligations as at the end of the year	0	0
Fair value of plan assets as at the end of the year	0	0
Funded (Assets)/liability recognized in the Balance Sheet as at the	0	0
Present value of unfunded (assets) / obligations as at the end of the	164,67,913	161,34,328
Unrecognized past service cost	0	0
Unrecognized actuarial (gain)/loss	0	
Unfunded net (Assets)/liability recognized in the Balance Sheet as	164,67,913	161,34,328

e) Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2017

Particulars	Current Year	Previous Year
Current Service Cost	15,04,374	17,26,163
Interest Cost	13,03,654	12,25,120
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	7,73,291	-11,29,568
Past Service cost	0	0
Net Gratuity (income) / expense	**35,81,319**	**18,21,715**

f) Detail of Present value of obligation, Plan Assets and Experience Adjustments

Particulars	Current Year	Previous Year
Present value of obligation	164,67,913	161,34,328
Fair value of plan assets	-	-
(Surplus) / Deficit	164,67,913	161,34,328
Experience Adjustment	-	-
(Gain)/ Loss on plan liabilities	-	-
(Gain)/ Loss on plan assets	-	-

g) Expected contributions to Gratuity Fund next year Rs. NIL (Previous Year Rs. NIL)

h) The liability for leave encashment and compensated absences as at year end is Rs. 71,96,431 (Previous year liability Rs. 65,49,693)

NOTE NO - 39

Related parties disclosure as per Accounting Standard - 18:

List of related parties

a) **Associates:-**
   i) Global Transgenes Ltd.
   ii) Agri Tech (India) Ltd.
   iii) Nath Biotechnologies Ltd.
   iv) Nath Royal Seed Ltd

b) **Relatives**
   i) Ms. Soniya Kagliwal

c) **Key Management Personnel:-**
   Mr. Satish Kagliwal (Managing Director)

GAUTAM N. AS...

d) Transactions carried out with related parties as referred to in (a) to (c) above, in the ordinary course of the business:

Amount in Rupees

Sr no	Name of party	Nature of transactions	Current year	Previous year
1	Global Transgenes Ltd.	Advance against R & D	38,41,974	124,14,609
		Reimbursement of expenses paid	140,92,000	-
		Incentive granted	10,56,900	-
2	Agri Tech (India) Ltd.	Advance granted for land purchase	-	1009,50,643
		Land Purchase	1350,00,000	2100,00,000
3	Nath Biotechnologies Ltd.	Transfer (debit to account)	276,19,193	229,49,630
		Amount Received	25,61,020	386,29,730
		Amount Paid	717,44,556	
		Transfer (credit to account)	744,82,244	-
4	Nath Royal Seed Ltd	Purchases	64,98,501	1019,35,171
5	Soniya Kagliwal	Consultancy charges paid	1,43,000	4,05,000

e) Out standing balances at the year end

Sr no	Name of party	as on 31.03.2017 Rs.	as on 31.03.2016 Rs
1	Global Transgenes Ltd.	33259230 Dr	29417256 Dr
2	Agri Tech (India) Ltd.	2515422 Cr	100950643 Dr
3	Nath Biotechnologies Ltd.	90546089 Dr	68225604 Dr
4	Nath Royal Seed Ltd	6498501 Dr	10095799 Dr
5	Ms. Soniya Kagliwal	0	33750 Cr

Notes:

1 Related party relationship is as identified by the Company and relied upon by the Auditors.

2 No amounts in respect of related parties have been written off/back during the year, nor have been provided for as doubtful debts.

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NOTE NO – 40	Current Year Rs.	Previous Year Rs.
CIF value of Imports: Purchase of Win Chi Win & Vegetable Seeds	19916008	29109665
Expenditure in Foreign Currency: -		
Travelling Expenses	1454704	783153
Membership Fee	0	143043
Earning in Foreign Currency: F O B value of Exports	71093306	43044545
NOTE NO – 41		
Difference in Foreign Exchange Gain (Loss) included in other income	95431	36921

NOTE NO – 42

As required by Notification no GSR 308(E) dated 30.03.2017 issued by Ministry of Corporate Affairs, the following details of Specified Bank Notes (SBN) held and transacted during the period from 08th November 2016 to 30th December 2016 are as under:-

Particulars	SBNs	Other Denomination notes	Total
Closing cash in hand as on 08.11.2016	10,01,000	3,85,985	13,86,985
Add: Permitted Receipts	-	2,46,569	2,46,569
Less: Permitted Payments	2,35,500	5,06,876	7,42,376
Less: Amount deposited in Banks	7,65,500	-	7,65,500
Closing cash in hand as on 30.12.2016	-	1,25,678	1,25,678

NOTE NO – 43

Details related to Investments made, Loans and Advances given and security provided as per section 186 of the Companies Act 2013.

Name of the Party	Resolution Passed on	Limit prescribed in resolution	Investment made	Amount outstanding as on 31st March, 2017
Investment	08.08.2016	25000,00,000		
Paithan Mega Food Park Pvt. Ltd.			499,40,000	499,40,000

Name of the Party	Resolution Passed on	Limit prescribed in resolution	Loan granted during the year	Amount outstanding as on 31st March, 2017	Maximum outsatnding during the year
Loans and Advances	08.08.2016	25000,00,000			
Nath Bio-technologies Ltd			905,46,089	905,46,089	905,46,089
Global Transgenes Limited			332,59,230	332,59,230	332,59,230

(i) In respect of above parties, rate of interest is Nil.

Name of the Party	Resolution Passed on	Limit prescribed in resolution	Loan granted during the year	Amount outstanding as on 31st March, 2017	Maximum outsatnding during the year
Guarantee Given	08.08.2016	25000,00,000			
ICICI Bank Ltd (in favour of various growers)			3000,00,000	3000,00,000	3000,00,000
IDBI Bank (in favour of Paithan Mega Food Parks Limited)			2000,00,000	2000,00,000	2000,00,000

NOTE NO – 44

The income tax department has carried out a survey on 21st March 2017 in which the company has declared un-accounted remnant sale of Rs. 3,00,00,000. The declared sale has been accounted for in the books of account as cash sales made by the Company during the year and reflected under the head Commercial seeds and Remnant in Note No 21. Correspondingly the balance of cash is increased to that extent.

NOTE NO – 45

Expenditure on Corporate Social Responsibility Activities

		Current Year (Rs)	Previous Year (Rs)
(a)	Gross amount required to be spent by the Company during the year	44,72,095	42,77,460
(b)	Amount spent during the year		

GAUTAM N. ... M. No. 33... AURANGABAD

(i) Donations | - | -
(ii) Expenditure on Rural Transformation | 44,72,095 | 42,77,460
(iii) Other | - | -

The company has been engaged in farmers education for imparting farming training in technology, use of upgraded seeds and methodology of seed production etc. In veiw of this some of such programme undertaken by the Company are classified as CSR activities.

NOTE NO – 46

The net profit (loss) for the purpose of measurement of basic and diluted earnings per share in terms of Accounting Standard - 20 on Earnings Per Share issued by the Institute of Chartered Accountants of India has been calculated as under:

	Current Year Rs	Previous Year Rs.
Net Profit (loss) as per Profit & Loss Account	162824592	141674592
Less :- Dividend on Preference Shares	0	0
Numerator: Profit Available for equity share holders	162824592	141674592
Denominator: Number of Equity shares outstanding (nos)	16004000	16004000
Denominator for Diluted equity share holder	16004000	16004000
Basic Earnings per share is arrived at by dividing Numerator by Denominator	10.17	8.85
Diluted Earnings per share is arrived at by dividing Numerator for diluted equity share holder by Denominator	10.17	8.85
The nominal value per equity shares is Rupees	10	10

NOTE NO – 47

The Company is in the process of reconciling its subsidiary ledgers with the control accounts maintained in the General Ledger. In the opinion of the management, the difference, if any, would not be material, which will be adjusted appropriately in the due course of time.

NOTE NO – 48

Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

Satish Kagliwal
Managing Director
DIN: 00119601

Nandkishor Kagliwal
Director
DIN:01691691

Devinder Khurana
Chief Finance Officer

Laveena Chanchlani
Company Secretary

Place : Aurangabad
Date : 30th May 2017

Nath Bio-Genes (India) Limited

Cash Flow Statement for the year Ended 31.03.2017

Particulars	For the year 2017-16 Rs	For the year 2015-16 Rs
A) CASH FLOW FROM OPERATING ACTIVITIES		
Nett Profit before Tax & Extra Ordinary items	1675,34,371	1507,74,722
Adjustment for :		
Depreciation	303,03,746	390,48,408
Provision for Gratuity	3,33,585	8,20,328
Provision for Leave encashment	6,46,738	-9,92,307
Interest Paid / Financial Charges	965,70,714	623,09,122
Provision (Reversal of Provision) for Bad Debts	1,18,540	16,63,876
Profit on sale of Fixed Assets	-88,747	-37,894
Interest Income	-34,610	-5,99,140
Operating Profit before working capital changes	**2953,84,337**	**2529,87,115**
Adjustment for :		
(Increase) / Decrease in Trade Receivables	-652,49,492	-60,22,582
(Increase) / Decrease in Inventories	1058,88,615	-2370,48,852
Increase / (Decrease) in Trade Payable	-359,85,870	-360,71,662
(Increase) / Decrease in Loans & Advances	-2099,51,639	-505,73,148
(Increase) / Decrease in other current assets	-9,19,130	141,12,368
Increase / (Decrease) in other current liabilities	-557,19,060	725,24,065
Cash Generated from operation before Tax & Extra Ordinary i	**334,47,761**	**-1361,40,825**
Income tax Paid / (Reversal of provision of income tax)	12,990	1,11,675
Net Cash Flow from Operating Activities - (A)	**334,34,771**	**-1362,52,500**
B) CASH FLOW FROM INVESTING ACTIVITIES		
Sale of fixed assets	7,11,000	4,82,198
Purchase of Fixed Assets	-412,58,923	-705,88,164
Interest Received	34,610	5,99,140
Purchase of Non-current investment	-2,400	-2,400
Capital Advance given	-	-1009,50,643
Net Cash Flow from Investing Activities - (B)	**-405,15,713**	**-1704,59,869**
C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid / Financial Charges	-965,70,714	-623,09,122
Increase / (Decrease) in Long term secured Loan	500,00,000	1500,00,000
Increase / (Decrease) in Long term secured Loan	6,71,227	-74,67,401
Increase / (Decrease) in short term secured Loan	810,00,974	2227,77,378
Increase / (Decrease) in short term unsecured Loan	182,56,838	17,88,312
Payment of Deferred Sales Tax Liability	-52,383	-15,53,498
Nett Cash Flow From Financing Activities - (C)	**533,05,941**	**3032,35,669**
Nett increase/Decrease in cash & cash equivalent (A+B+C)	462,24,999	-34,76,700
Opening Cash and Cash Equivalent	**122,44,698**	157,21,398
CLOSING CASH & CASH EQUIVALENT	**584,69,697**	**122,44,698**
	-0	-0

The cash flow statement has been prepared as per the Indirect method prescribed in Accounting Standard - 3 "Cash Flow Statement"

For Gautam N Associates
FRN 103117W
Chartered Accountants

Gautam Nandawat
Partner
M No 32742

Place : Aurangabad
Dated 30th May 2017

For and on behalf of the Board of Directors

Satish Kagliwal
Managing Director
DIN: 00119601

Nandkishor Kagliwal
Director
DIN:01691691

Devindar Khurana
Chief Financial Officer

Laveena Chanchalani
Company Secretary

Gautam N Associates
Chartered Accountants
30, GNA House, Behind ABC Complex,
Manmandir Travels Lane, Adalat Road, Aurangabad-431001

Independent Auditor's Report

To,
The members of
Nath Bio-genes (I) Limited
Aurangabad

Report on the Financial Statements

We have audited the accompanying financial statements of Nath Bio-genes (I) Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and rules made there-under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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gnandawat@yahoo.in
0240-2343800 +91 9822343800. Website: www.gautamnassociates.com

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to: -

Note No 32 to the financial statements which describes that Creditors, Unsecured Loans, certain current account balances with banks, Deposits, Loans and Advances are subject to confirmation and reconciliation.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A", a statement on the matters specified in paragraph 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of written representations received from the directors as on 31st March, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in Annexure "B"; and

g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:

   i. the company has disclosed the impact of pending litigations on its financial position in its financial statements -Refer Note No. 29 to the financial statements.
   ii. Company does not have long term contracts or derivative contracts which require provision.
   iii. there is no amount required to be transferred to investor education and protection fund.

For Gautam N Associates
Chartered Accountants
FRN 103117W

Gautam Nandawat
Partner
Membership No 032742

Place: Aurangabad
Dated: 30.05.2016

ANNEXURE "A" TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2016, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) The company has regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its business.

   (c) According to the information and explanations given to us, and on the basis of our examination of the record of the company, the title deeds of the immovable properties are held in the name of the company; however, registration of title deeds is pending in respect of various pieces of land purchased during the year situated at Village Dhangaon and Shahapur-Wahegaon, Tq. Paithan, Dist. Aurangabad admeasuring 35.97 hectares.

2. The inventory has been physically verified during the year by the management. The discrepancies noticed on verification between the physical stocks and book records were not material, which have been properly dealt with in the books of account.

3. As per the information and explanations given to us, the Company has granted non-interest bearing unsecured loans to three companies covered in the registered maintained under section 189 of the Act. The terms and conditions of the grant of such loans are not prejudicial to the interest of the company looking to long term business exigencies/purposes.

   No formal schedule of repayment has been made for receipt of the principal amount and as such in absence of such repayment schedule, we are unable to comment if the same are being repaid timely.

   As explained, there is no overdue amount for more than ninety days. All the loans where amount is more than rupees one lac, reasonable steps have been taken by the company for recovery of the principal and interest, where applicable.

4. In our opinion and according to the information and explanations given to us in respect of loans, investments, guarantees and security, the provisions of section 185 and 186 of the Act have been complied with.

5. The Company has not accepted deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

6. No maintenance of cost records has been specified by the Central Government under section 148(1) of the Act for the products of the company.

7. (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.

b) There are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in payment of dues to financial institution or bank or debenture holders.

9. The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Further, the term loans were applied for the purpose for which those are raised.

10. No fraud on or by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.

11. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.

12. The company is not a Nidhi Company as such provisions of the clause (xii) are not applicable to the company.

13. All transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

15. The company has not entered into any non-cash transactions with directors or persons connected with him.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Gautam N Associates
Chartered Accountants
FRN 103117W

Gautam

Gautam Nandawat
Partner
M No 32742

Place: Aurangabad
Date: 30.05.2016

ANNEXURE "B" TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Nath Bio-genes (I) Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Gautam N Associates
Chartered Accountants
FRN 103117W

Gautam Nandawat
Partner
M No 32742

Place: Aurangabad
Date: 30.05.2016

NATH BIO-GENES (INDIA) LIMITED
BALANCE SHEET AS AT 31 MARCH 2016

PARTICULARS	NOTE NO	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
a) Share Capital	3	1600,40,000	1600,40,000
b) Reserves & Surplus	4	10529,99,520	9113,24,928
c) Money Received against share warrant		-	-
		12130,39,520	10713,64,928
(2) Share Application money pending allotment		-	-
(3) Non current Liabilities			
a) Long Term Borrowings	5	1500,00,000	74,67,401
b) Deferred Tax Liabilities		-	-
c) Other Long Term Liabilities			-
d) Long Term Provisions	6	178,64,117	192,67,000
		1678,64,117	267,34,401
(4) Current Liabilities			
a) Short Term Borrowings	7	4304,48,150	2018,43,019
b) Trade Payables	8	4795,13,516	5155,85,177
c) Other Current Liabilities	9	3540,21,016	4321,38,020
d) Short Term Provisions	10	221,15,322	137,68,512
		12860,98,003	11633,34,728
TOTAL		26670,01,640	22614,34,057
II. ASSETS			
(1) Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	11	2843,90,671	785,37,911
ii) Intangible Assets	11	202,44,951	494,16,336
iii) Capital Work In Progress		-	-
iv) Intangible assets under development		-	-
		3046,35,622	1279,54,247
b) Non Current Investments	12	25,675	23,275
c) Deferred Tax Assets (Net)	13	86,86,266	105,58,815
d) Long Term Loans and Advances	14	1009,50,643	1455,85,923
e) Other Non Current Assets		-	-
		1096,62,584	1561,68,013
(2) Current Assets			
a) Current Investments	15	499,40,000	499,40,000
b) Inventories	16	14073,98,050	11703,49,198
c) Trade Receivables	17	4531,14,589	4487,55,883
d) Cash and Cash Equivalents	18	122,44,698	157,21,399
e) Short Term Loans and Advances	19	3184,74,650	2679,01,502
f) Other Current Assets	20	115,31,446	246,43,814
		22527,03,434	19773,11,797
TOTAL		26670,01,640	22614,34,057
		(0)	0
NOTES FORMING PART OF THE FINANCIAL STATEMENTS			

AS PER OUR ATTACHED REPORT OF EVEN DATE

For Gautam N Associates
FRN: 103117W
Chartered Accountants

For and on behalf of the Board of Directors

Gautam Nandawat
Partner
M No 32742

Nandkishor Kagliwal
Chairman
DIN:01691691

Satish Kagliwal
Managing Director
DIN: 00119601

Laveena Chandwani
Company Secretary

Place : Aurangabad
Dated: 30th May 2016

NATH BIO-GENES (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MAR, 2016

PARTICULARS	NOTE NO.	For year ended on 31st Mar 2016 (Rs.)	For year ended on 31st March 2015 (Rs.)
REVENUE			
Revenue from operations	21	16210,59,367	18532,69,981
Other Income	22	84,64,117	58,50,556
		16295,23,484	18591,20,536
EXPENDITURE			
Purchase of stock in trade		436,00,859	358,58,687
Production Expenses	23	6147,61,939	6693,68,001
Change in Inventories	24	(2442,00,309)	(2974,98,237)
Employees Benefits Expenses	25	1363,44,163	1567,98,208
Finance Costs	26	623,09,122	459,19,648
Depreciation and Amortization	11	390,48,408	438,70,934
Other Expenses	27	8253,14,810	9419,20,205
		14771,78,993	15962,37,446
PROFIT FOR THE YEAR BEFORE PRIOR YEAR EXPENSES		1523,44,490	2628,83,090
Prior year expenses	28	1,87,637	(6,45,711)
PROFIT /(LOSS) BEFORE TAX		1521,56,853	2635,28,801
Tax Expenses			
Provision for Income Tax		86,09,712	101,04,402
Provision / (Reversal of Provision) for Income Tax of earlier years		-	4,46,404
Provision for Wealth Tax		-	2,11,978
Provision for Deferred Tax (Assets)		18,72,549	(12,08,514)
Profit for the year		1416,74,592	2539,74,531
Earning Per Shares - Basic		8.85	15.87
- Diluted		8.85	15.87
NOTES FORMING PART OF THE FINANCIAL STATEMENTS			

AS PER OUR ATTACHED REPORT OF EVEN DATE

For Gautam N Associates
FRN: 103117W
Chartered Accountants

For and on behalf of the Board of Directors

Gautam Nandawat
Partner
M No 32742

Nandkishor Kagliwal
Chairman
DIN:01691691

Satish Kagliwal
Managing Director
DIN: 00119601

Laveena Chanchalani
Company Secretary

Place : Aurangabad
Dated: 30th May 2016

GAUTAM N. ASSOCIATES AURANGABAD M.No. 32742

Note No .1 : GENERAL INFORMATION

The Company is incorporated under the Companies Act, 1956 and engaged in the business of Production, Processing, and Marketing of Hybrid and GM Seeds The Company has a product range of Field crops, Vegetable crops and Micro Nutrient Supplements. The major Processing Plants are located at Aurangabad(MS), and Munipalli, Nizamabad (TG). The company has a Pan-India presence for sales through an extensive network of distributers

Note No 2-
SIGNIFICANT ACCOUNTING POLICIES:

A GENERAL

i) The financial statements are prepared on historical cost basis in accordance with applicable Accounting Standards and on accounting principles of a going concern. These financial statements have been prepared to comply with all material aspects with the accounting standards notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Companies Act, 2013 (the "Act").

ii) Interest on overdue debtors is accounted for as and when received, as the collection cannot be ascertained with reasonable certainty.

iii) Sales return are accounted for / provided for in the year to which they pertain to, as ascertained till finalization of the books of account.

iv) Compensation on account of crop quality discounts are accounted for as and when settled.

v) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

B FIXED ASSETS:

1) Fixed Assets are stated at cost including freight, duties, taxes and all incidental expenses related thereto.

2) New product development expenditure is capitalized to Seed Development Know-how. The same is written off in ten equal yearly instalments commencing from the year of acquisition / incurring such expenditure.

C CAPITAL WORK-IN-PROGRESS

Expenditure related to and incurred during the implementation of the projects is included under Capital Work-in-Progress and the same are capitalized under the appropriate heads on completion of the projects.

D DEPRECIATION / AMORTIZATION

i) Depreciation on Fixed Assets, except for Intangible Assets, Development and Research Assets (Seed Development Know-How & Gene Development Know-How), is provided for on basis of useful life specified in Schedule II to the Act.

ii) Intangible assets such as Brands, Trade Marks, Marketing Rights, Seed Development Know-How are amortized in ten equal yearly instalments commencing from the year in which the tangible benefits start accruing to the Company from such assets.

iii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of assets. The useful life is adopted for the purpose of depreciation is as under.

Assets	Useful life year
i) Factory Building	30
ii) Plant & Machineries	15
iii) Laboratory Equipment	10
iv) Agricultural Equipments	15
v) Office Equipments	15
vi) EDP Equipments	3
vii) Furniture & Fixture	10
viii) Motor Car & Light Vehicle	8

GAUTAM N. ASSOCIATES AURANGABAD

E RESEARCH AND DEVELOPMENT EXPENDITURE:

i) The research expenditure incurred has been charged off to the Statement of Profit & Loss.

ii) Certain expenses to the extent of 20% are transferred to Research and Development expenses as considered expedient by the management. Refer Note No 42

F INVENTORIES:

i) The inventories including sales returns are valued at lower of cost and net realizable value. Cost is assigned on weighted average basis. Obsolete, defective and unserviceable stocks are provided for.

ii) Cost of finished products comprises the cost of processing and other cost incurred in bringing the inventories to their present location & condition.

iii) Breeder seeds and seed parental lines are valued by the management on an estimated basis considering their production potentiality and relied upon by the auditors being a technical matter.

G FOREIGN CURRENCY TRANSACTIONS:

i) Transactions in foreign currency are recorded at the rate prevailing on the date of the transaction.

ii) Current Assets and Current Liabilities in foreign currency outstanding as at the year-end are stated at the rates of exchange prevailing at the close of the year. The resultant gains/losses of the year are recognized in the Statement of Profit and Loss.

H GOVERNMENT GRANTS

i) Grants are accounted for where it is reasonably certain that the ultimate collection will be made.

ii) Grants relating to Fixed Assets in the nature of Project Capital Subsidy are credited to Capital Reserve.

iii) Others are credited to Statement of Profit and Loss.

I RETIREMENT BENEFITS:

Liability as at the year end in respect of retirement benefits is provided for and/ or funded and charged to Statement of Profit and Loss as follows:

i) Provident Fund / Family Pensions:
At a percentage of salary/wages for eligible employees.

ii) Gratuity

The liability in respect of future payment of gratuity is charged and the same is provided based on the actuarial valuation.

iii) Leave Encashment

The liability in respect of accumulated leave of the employees is provided based on the actuarial valuation.

G BORROWING COST

Borrowing cost directly attributable to acquisition, construction, production of qualifying assets are capitalized as a part of the cost of such assets up to the date of completion. Other borrowing costs are charged to Statement of Profit and Loss.

K TAXATION

i) Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of Income Tax Act 1961.

ii) Deferred tax for timing difference between tax profit and book profit is accounted for using the tax rates and laws as have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that these assets can be realized in future and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

L AGRICULTURAL ACTIVITIES

i) Income from the agricultural activities is accounted for up to the stage of dispatch of goods.

ii) Expenses which are directly related to the agricultural activities have been accounted for in the books of account under the respective activities. Expenses which are not related to the specific activities are allocated on the basis of turnover (net of return and Schemes & Discounts) of Agricultural activities and Trading activities.

iii) Certain unallocable expenses like extra-ordinary items / prior year expenses are not allocated.

M EARNING PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year attributable to equity share holders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

GAUTAM N. ASSOCIATES AURANGABAD

NOTE -- 3
SHARE CAPITAL

PARTICULARS	AS AT 31st MARCH 2016		AS AT 31st MARCH 2015	
	Number	Amount in Rs	Amount in Rs	Amount in Rs
Authorized				
Equity Shares of Rs.10 each	165,00,000	165000000	165000000	1650000000
16% Cumulative Redeemable Preference Shares of Rs.100 each	50,000	500000	500000	5000000
	165,50,000	165500000	165500000	1655000000
Issued, Subscribed & Paid up				
Equity Shares of Rs.10 each	16004000	160040000	16004000	160040000
TOTAL	16004000	160040000	16004000	160040000

(a) The Reconciliation of the numbers of Shares outstanding stated below:-

PARTICULARS	AS AT 31st MARCH 2016		AS AT 31st MARCH 2015	
	Number	Amount in Rs	Number	Amount in Rs
Equity Shares				
Shares outstanding at the beginning of the year	16004000	160040000	16004000	160040000
Shares Issued during the year	0	0	0	0
Shares Bought-back during the year	0	0	0	0
Shares outstanding at the end of the year	16004000	160040000	16004000	160040000

(b) Equity shareholder is eligible for one vote per share held. They are eligible for dividend on the basis of their shareholding. In the case of liquidation, the equity shareholder is eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

(c) Details of Shareholders holding more than 5% Shares in the company

Name of the shareholder	AS AT 31st MARCH 2016		AS AT 31st MARCH 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
a) Akash Farms Pvt Ltd	18,38,877	11.49	18,65,930	11.66
b) Ashu Farms Pvt Ltd	19,94,829	12.46	18,50,000	11.56
c) Nath Royal Ltd	4,62,132	2.89	10,81,543	6.76
d) ARC Trust Fund	28,21,310	17.63	38,41,753	17.63
e) Agri-Tech India Ltd	19,78,690	12.36	9,58,247	12.36
	90,95,838	56.83	95,97,473	59.97

NOTE -- 4
RESERVES & SURPLUS

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
Capital Reserve :		
	1264,00,203	1264,00,203
General Reserve	297,00,000	297,00,000
Statement of Profit & Loss		
Opening Balance	7552,24,725	5016,40,944
Less: Depreciation adjustment	-	(3,90,750)
Add: Profit for the year	1416,74,592	2539,74,531
Closing Balance	8968,99,317	7552,24,725
	10529,99,520	9113,24,928

NOTE -- 5
LONG TERM BORROWINGS

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
SECURED LOANS		
Term Loan against Vehicles	(0)	74,67,401
Secured by hypothecation of vehicles purchased in the name of company/ directors of the company.		
Term Loan from IFCI Venture Capital Funds Ltd	150000000	0
Secured by Equitable Mortgage of non-agricultural land situated at Itkheda, Aurangabad and also pledge of fixed deposit of Rs. 54,46,233 and personal guarantee of 2 promoters directors of the Company.		
	1500,00,000	74,67,401

GAUTAM N. ASSOCIATES AURANGABAD

NOTE -- 6
LONG TERM PROVISIONS

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
Provisions for Employee Benefits		
Gratuity	123,83,113	125,37,000
Leave encashment	54,81,004	67,30,000
	178,64,117	192,67,000

NOTE -- 7
SHORT TERM BORROWINGS

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
SECURED		
a) From bank	3895,33,700	1627,16,881
(Secured by way of hypothecation of stock of seeds and trade receivables; collaterally secured by way of mortgage of land and building situated at Ittkheda, Aurangabad. Further, loan is secured by way of pledge of stock. Also personally guaranteed by two promoters directors of the Company)		
UNSECURED		
a) Deposits from Dealers	387,14,450	365,39,445
b) From Others	22,00,000	25,86,693
	4304,48,150	2018,43,019

NOTE -- 8
TRADE PAYABLES

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
Sundry Creditors for Seeds/Supplies	3936,32,253	4349,89,404
Sundry Creditors - SME Sector	73,55,926	54,29,108
Sundry Creditors for staff balances	438,18,405	507,12,404
Others Creditors	347,06,931	244,54,261
	4795,13,516	5155,85,177

NOTE -- 9

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
Current maturities of long term debts		
Vehicle Loan	74,66,202	115,05,643
Deferred Sales Tax Loan	52,383	16,05,881
Other Payables		
Credit Balance in Debtors	567,59,128	534,51,169
Statutory Liabilities	188,72,068	182,62,106
Advance against Sales	2708,71,235	3473,13,221
	3540,21,016	4321,38,020

NOTE -- 10
SHORT TERM PROVISIONS

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
Provision for Income Tax	172,95,418	101,79,512
Provisions for Employee Benefits		
Gratuity	37,51,215	27,77,000
Leave encashment	10,68,689	8,12,000
	221,15,322	137,68,512

NOTE NO - 12 :
NON CURRENT INVESTMENTS

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
UNQUOTED; AT COST; NON-TRADE		
Nath Cooperative Society	15,600	13,200
(1560 Previous year : 1320 equity shares of Rs. 10 each)		
National Saving Certificate	10,075	10,075
	25,675	23,275

GAUTAM N. ASSOCIATES
AURANGABAD

SCHEDULE -11

NATH BIO-GENES (INDIA) LIMITED, AURANGABAD

Amount in Rupees

SCHEDULE OF FIXED ASSETS AND DEPRECIATION FOR THE PERIOD OF 01.04.15 TO 31.03.2016

SR. NO	PARTICULARS	GROSS BLOCK		DEDUCTION DURING THE YEAR	AS AT 31.01.2016	DEPRECIATION / AMORTISATION					NET BLOCK	
		AS AT 01.04.2015	ADDITION DURING YEAR			UPTO 31.03.2015	ADJUSTMENT	FOR THE PERIOD	DEDUCTION	UP TO 31.01.2016	AS AT 31.01.2016	AS AT 01.04.2015
(A)	TANGIBLE ASSETS											
1	Freehold Land	207595	210000000	0	210207595	0	0	0	0	0	210207595	207595
2	Factory Building	25143590	1094580	0	26238170	16687560	0	314631	0	17002191	9235979	8456030
3	Live Stock	61200	0	0	61200	0	0	0	0	0	61200	61200
4	Plant & Machineries	77151478	3993813	0	81145291	53398448	0	2080655	0	55479103	25666187	23753029
5	Laboratory Equipment	15121592	0	0	15121592	12370102	0	354692	0	12724794	2396798	2751490
6	Agricultural Equipments	1027153	30500	0	1057653	288127	0	55999	0	344126	713527	739026
7	Office Equipments	3373450	222415	0	3595865	1688017	0	139345	0	1827362	1768503	1685433
8	EDP Equipments	25283297	796564	0	26079861	22972161	0	1056714	0	24028875	2050986	2311136
9	Furniture & Fixture	6788096	36215	0	6824311	6003864	0	96577	0	6100441	723870	784232
10	Motor Car & Light Vehicle	71960898	0	2238975	69721923	34172158	0	5778410	1794671	38155897	31566026	37788740
	TOTAL (A)	226118349	216174087	2238975	440053461	147580438	0	9877023	1794671	155662790	284390671	78537911
(B)	INTANGIBLE ASSETS											
11	Brands, Trademarks and Marketing Rights	206125000	0	0	206125000	173675000	0	16112500	0	189787500	16337500	32450000
12	Seed Development Know How	174118468	0	0	174118468	157152132	0	13058885	0	170211017	3907451	16966336
	TOTAL (B)	380243468	0	0	380243468	330827132	0	29171385	0	359998517	20244951	49416336
	GRAND TOTAL (A) + (B)	606361817	216174087	2238975	820296929	478407570	0	39048408	1794671	515661307	304635622	127954247
	PREVIOUS YEAR	600489958	7060991	1189132	606361817	435136392	390750	43870934	990506	478016820	127954247	

Notes:

1. Intangible assets such as brands, trade marks & marketing rights are amorized in ten equal yearly instalments commencing from the year of acquisition by Nath Seeds Ltd (Demerged Company). Refer Note No 2 (D) (ii).

2. The land purchased during the year from a related party is yet to registered with the Sub-Registrar.

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 13

DEFERRED TAX ASSETS

Calculation of Deferred Tax Asset as on 31.03.2016 is given as under: -	Deferred Assets (Rs.)	Deferred Tax (Rs.)
Liability		
WDV of Fixed Asset	28,07,892	-8,67,639
Assets		
Gratuity	161,34,328	49,85,507
Leave Encashment	65,49,693	20,23,855
Expenses disallowed u/s 43B of Income Tax Act	82,34,765	25,44,542
Total Deferred Tax assets at the year end		86,86,266
Less: Opening deferred tax assets		105,58,815
Deferred Tax Assets reversed during the year		-18,72,549

NOTE -- 14

LONG TERM LOANS AND ADVANCES

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
(Unsecured, Considered good)		
Capital Advances for land purchase from a related party	1009,50,643	1455,85,923
	1009,50,643	1455,85,923

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 15

CURRENT INVESTMENTS

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
UNQUOTED; AT COST; TRADE		
Investment in Associate Company holding 32.75% (Previous year 49.94%) in the capital Equity shares in Paithan Mega Food Parks Pvt Ltd 49,94,000 Equity shares of Rs. 10 each	499,40,000	499,40,000
(The company in its board meeting held on 30th January 2016 reaffirmed to sell / dispose off the investments held in associate company at an opportune time.)		
	499,40,000	499,40,000

NOTE -- 16

INVENTORIES

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
(As taken, valued and certified by the management)		
Stores and Packing Materials	479,91,017	551,42,474
Processed Seeds	12002,41,713	10203,58,593
Unprocessed Seeds	1158,86,320	775,00,101
Seed (Traded Stock)	110,20,000	36,88,000
Plant Nutrient Supplement	322,59,000	136,60,030
	14073,98,050	11703,49,198

NOTE -- 17

TRADE RECEIVABLE

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
i) Secured: Considered Good		
Due for a year of less than six months	581,99,598	968,24,396
Due for a year of more than six months	95,91,310	96,32,097
ii) Unsecured: Considered Good		
Due for a year of less than six months	2866,77,424	2457,32,590
Due for a year of more than six months	986,46,257	965,66,800
ii) Unsecured: Considered doubtful:		
Due for a year of more than six months	163,61,831	146,97,955
Less: Provision for doubtful debtors	(163,61,831)	(146,97,955)
	4531,14,589	4487,55,883

GAUTAM N. ASSOCIATES AURANGABAD

NOTE -- 18
CASH AND CASH EQUIVALANTS

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
Cash on hand	3,72,731	4,32,754
Balances with Banks:		
i) In Current Accounts	64,03,981	147,11,011
ii) In Fixed Deposit Accounts having original maturity beyond 12 months	54,67,986	5,77,634
(The fixed deposit amounting to Rs. 54,46,233 is lien marked in favour of IFCI Venture Capital Funds Limited)		
	122,44,698	157,21,399

NOTE -- 19
SHORT TERM LOANS AND ADVANCES

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
(Unsecured, Considered good)		
Advances to a related party	976,42,860	561,91,011
Advances against seed production	1766,75,129	1742,36,842
Advances against purchase	130,47,210	61,55,536
Advances to Staff	16,32,450	24,29,057
Income Tax deducted at source/Tax paid	294,77,001	288,89,056
	3184,74,650	2679,01,502

NOTE -- 20
OTHER CURRENT ASSETS

PARTICULARS	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
VAT Receivable	51,20,920	83,35,818
Sundry Deposits	17,18,417	45,34,002
Deposit with Income tax dept.	21,44,618	77,87,500
Insurance claim receivable	-	2,44,997
Prepaid Expenses	25,47,465	22,23,471
Others	25	15,18,025
	115,31,446	246,43,814

NOTE -- 21
REVENUE FROM OPERATIONS

PARTICULARS	For year ended on 31st Mar 2016 (Rs.)	For year ended on 31st March 2015 (Rs.)
Sale of Agricultural Products		
Commercial seeds and Remnant	14648,57,984	15728,69,820
Foundation seeds	32,33,382	48,67,161
	14680,91,367	15777,36,981
Trading of agricultural products	1529,68,000	2755,33,000
	16210,59,367	18532,69,981

NOTE -- 22
OTHER INCOME

PARTICULARS	For year ended on 31st Mar 2016 (Rs.)	For year ended on 31st March 2015 (Rs.)
Interest Received	5,99,140	88,660
Profit on Sale of Fixed Assets	37,894	26,374
Insurance claim received	3,67,374	10,84,205
Excess Provision W/back	26,84,720	24,105
Misc. Income	47,74,989	46,27,212
	84,64,117	58,50,556

NOTE -- 23
PRODUCTION EXPENSES

PARTICULARS	For year ended on 31st Mar 2016 (Rs.)	For year ended on 31st March 2015 (Rs.)
Land Preparation Expenses	1327,12,545	1418,80,250
Fertilizer & Pesticides	1097,75,013	1214,74,848
Labour Wages	1818,49,087	1953,92,710
Lease Rent for agricultural land	915,98,668	1009,10,207
Other Farm Expenses	888,71,460	973,63,923
Incentive to Growers	99,55,166	123,46,063
(Also refer note no 37(ii))	6147,61,939	6693,68,001

NOTE -- 24
CHANGE IN INVENTORIES

PARTICULARS	For year ended on 31st Mar 2016 (Rs.)	For year ended on 31st March 2015 (Rs.)
SEEDS:		
Closing Stock		
Processed Seeds	12002,41,713	10203,58,593
Unprocessed Seeds	1158,86,320	775,00,101
Seed (Traded)	110,20,000	36,88,000
Plant Nutrient Supplement	322,59,000	136,60,030
	13594,07,033	11152,06,724
Opening Stock		
Processed Seeds	10203,58,593	7181,15,898
Unprocessed Seeds	775,00,101	612,63,589
Seed (Traded)	36,88,000	78,43,000
Plant Nutrient Supplement	136,60,030	304,86,000
	11152,06,724	8177,08,487
	2442,00,309	2974,98,237

NOTE -- 25
EMPLOYEES BENEFITS EXPENSES

PARTICULARS	For year ended on 31st Mar 2016 (Rs.)	For year ended on 31st March 2015 (Rs.)
Salaries, Wages and Bonus	1210,67,430	1275,43,911
Contribution to Provident and Other Funds	49,24,626	48,90,175
Staff Welfare Expenses	44,83,258	69,42,892
Staff Incentive	58,68,849	174,21,230
	1363,44,163	1567,98,208

NOTE -- 26
FINANCE COSTS

PARTICULARS	For year ended on 31st Mar 2016 (Rs.)	For year ended on 31st March 2015 (Rs.)
Interest on Term Loan	14,45,083	27,92,270
Interest on demand loan	329,35,773	208,87,682
Interest others	219,25,696	183,50,531
Finance Charges	60,02,571	38,89,165
	623,09,122	459,19,648

NOTE -- 27

OTHER EXPENSES

PARTICULARS	For year ended on 31st Mar 2016 (Rs.)	For year ended on 31st March 2015 (Rs.)
A. Seed Conditioning Expenses		
Freight Inward, Hamali & Cartage	100,07,491	158,80,849
Stores and Processing Materials consumed	716,87,854	1156,83,232
Power and Fuel	52,31,628	67,63,796
Repairs and Maintenance (Machinery)	16,43,763	18,22,640
Repairs and Maintenance (Factory Building)	3,70,345	7,80,980
Hamali & Cartage - Processing Plant	120,46,273	173,49,846
Processing Expenses	150,11,371	90,47,526
Other Seed Conditioning Expenses	52,24,618	73,06,743
	1212,23,343	1746,35,612
B. Administrative Expenses		
Rent	186,58,005	150,80,250
Rates and Taxes	12,22,105	12,94,421
Insurance	36,74,177	28,30,175
Legal & Professional Expenses	169,68,539	98,57,548
Repairs and Maintenance - Office Building	8,54,126	12,52,138
Running and maintenance - Vehicle	225,12,438	257,89,768
Repairs and Maintenance - Others	28,02,128	61,61,208
Communication	53,30,528	56,84,831
Printing & Stationery	26,47,408	35,22,838
Auditors' Remuneration:		
Statutory Audit Fee	5,15,250	4,56,000
Tax Audit Fee	1,03,050	85,500
Other services	1,14,250	1,14,000
Directors' remuneration	18,00,000	21,96,662
Miscellaneous Expenses	102,36,045	53,82,079
Bank Charges	11,69,125	6,60,082
Security Charges	10,53,278	18,27,207
	896,60,453	821,94,708
C. Selling Expenses		
Travelling and Conveyance	212,23,313	212,30,497
Advertisement and Sales Promotion	178,29,475	222,35,656
Freight Outward	835,53,412	832,61,467
Commission	1,56,500	62,650
Other selling expenses	172,34,564	154,83,810
Bad Debts Provisions	16,44,480	12,46,708
Royalty	99,63,530	-
Sundry debit balances written off	28,59,186	1,00,376
	1544,64,460	1436,21,163
D. Discount, Schemes and Incentives		
Cash Discounts	234,88,112	253,60,719
Quantity Discounts	1216,69,020	1488,26,521
Additional Discount	2036,42,515	2449,87,958
	3487,99,647	4191,75,198
E. Research and Development Expenses		
Salary, Wages and other allowances	485,82,908	515,10,169
Field Expenses for Product Research	512,89,504	577,45,328
Farming Expenses	66,30,159	95,07,144
Rental Expenses	46,64,338	35,30,884
	1111,66,909	1222,93,525
Total (A+B+C+D+E)	8253,14,810	9419,20,205

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 28

PRIOR YEAR EXPENSES

PARTICULARS	For year ended on 31st Mar 2016 (Rs.)	For year ended on 31st March 2015 (Rs.)
EXPENSES		
Prior year Expenses	1,87,637	
	1,87,637	-
INCOMES		
Excess provision for earlier years written back	-	6,45,711
	-	6,45,711
	1,87,637	(6,45,711)

GAUTAM N. ASSOCIATES

NOTE NO – 29

Contingent liabilities not provided for in respect of:-		Current Year Rs.	Previous Year Rs.
a)	Claims against the Company not acknowledged as debts in respect of legal cases including consumer cases.	105,20,250	85,20,880
b)	Corporate Guarantee given in favour of ICICI Bank towards crop loan taken by the seed growers of the company	3000,00,000	3000,00,000

NOTE NO – 30

	Current Year Rs.	Previous Year Rs.
Capital Commitments for land purchase	340,49,357	802,91,554

NOTE NO – 31

In the opinion of the Board, Current and Non-current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of the business.

NOTE NO – 32

Certain accounts of Sundry Debtors, Creditors, Unsecured Loans, Employees Account, certain current account balances with banks, Loans and Advances (including advances given to growers and inter party transfer & balances) are subject to confirmations and reconciliations, if any. The difference as may be noticed on reconciliation will be duly accounted for on completion thereof. In the opinion of the management, the ultimate difference will not be material.

NOTE NO – 33

Managerial Remuneration:

	Current Year (Rs.)	Previous year (Rs.)
Managing Director :-		
Salary & Allowances	1800000	1800000
Contribution to Provident Fund	0	0
	1800000	1800000

NOTE NO – 34

The Company has dispatched letters to certain vendors to ascertain their status under the Micro, Small and Medium Enterprises Development Act, 2006. Based upon the confirmation received from the following parties, the principal dues and interest worked out @36% p.a. thereon is as under:-

Sr No	Name of parties	Amount payable Rs.	Interest due Rs.
1	Balu Industries	9,41,434	2,89,670
2	Gubba Agro Fresh Pvt Ltd	33,231	2,765
3	Gubba Cold Storage Ltd	6,45,412	52,127
4	Integrated Coating & Seed Technology Pvt Ltd	29,87,564	8,69,711
5	Jagruti Offset	21,33,270	1,88,878
6	Printwell International Pvt Ltd	2,65,015	2,88,755
7	Zaware Creative Enterprises Pvt Ltd		15,385
8	Mars Packaging Industries	3,50,000	1,26,000
	Total (Net)	73,55,926	18,33,290

NOTE NO – 35

The Information related to Segmental Reporting as required to be disclosed in accordance with the accounting standard: 'AS 17-Segment Reporting' are as under:-

(A) Broadly the activity of the company falls within two segments

Criteria	Segments
Product Base	1. Agricultural Activities (Seed Production)
	2. Trading Activities

(B) The financial data of both segments are as follows

Amount in Rs.

Sr No	Particulars		Agriculture Activities	Trading Activity	Total
a	Segment Revenue (Net of trade discount, Scheme and discounts)				
i	External Sales/income	CY	11673,51,720	1049,08,000	12722,59,720
		PY	12610,26,783	1730,68,000	14340,94,783
ii	Inter-segment Sale		-	-	-
			-	-	-
iii	Other Income	CY	-	84,64,117	84,64,117
		PY		58,50,556	58,50,556
	Change in inventory	CY	2182,69,339	259,30,970	2442,00,309
		PY	3184,79,207	(209,80,970)	2974,98,237
iv	Total Revenue	CY	13856,21,059	1393,03,087	15249,24,146
		PY	15795,05,990	1579,37,586	17374,43,576
b	Total Revenue of each segment as a percentage of total revenue of all segment	CY	90.86	9.14	
		PY	90.91	9.09	
	Less: Production Expenses /Purchases	CY	6862,45,793	438,04,859	7300,50,652
		PY	7850,51,233	358,58,687	8209,09,920
	Less: Other Expenses	CY	5895,47,343	529,81,661	6425,29,003
		PY	5747,67,358	788,83,207	6536,50,565
c	Segment Result (Profit/Loss)	CY	1098,27,923	425,16,567	[illegible]
		PY	2196,87,399	431,95,692	[illegible]
d	Segment Result as a percentage of segmental result to the Profit	CY	72.09	27.91	
		PY	83.57	16.43	

(c) CY denores currenty year and PY denotes previous year

(d) The allocation of other expenses as mentioned in (B) (b) above, which are not directly relating to specific activity of prouction or trading have been made by the mangement in the ratio of turnover and relied upon by the auditors.

NOTE NO – 36

In the opinion of the Board, fixed assets have been stated at cost, which is at least equal to or less than the realizable value if sold in the ordinary course of business. Consequently, the management is of the opinion that there is no impairment of assets.

NOTE NO – 37

i The company is engaged in agricultural activities i.e. production of seeds on lease hold land situated at various part of India.

ii The company has entered into agreements with various growers for cultivation and production of agricultural produce in view of the fact that the company itself is unable to carry on such activities which are spread over various parts of India. The company has reimbursed the cultivation expenses based upon the agreement entered into with the growers.

NOTE NO – 38 :

Employee Benefits

The company has classified the various benefits provided to employees as under

Defined Contribution Plans :

During the year, the Company has recognized the following amounts in the Profit & Loss Account

			Current Year	Previous Year
-		Employers Contribution to Provident Fund	43,22,017	42,49,922
-		Employers Contribution to ESI	0	0
-		Employers Contribution to Labour Welfare Fund	9,324	10,158

Defined Benefit Plans

The company has neither created fund nor contributed to Scheme framed by the Insurance Company for the defined benefit plans for the qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit credit method with actuarial valuations being carried out at each balance sheet date.

In accordance with accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions: -

Particulars	Current Year	Previous Year
Discount Rate	8%	8%
Salary escalation rate	6%	6%
Expected rate of return on Plan Assets	-	-
Expected average remaining service of employees in the number of	-	-

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2016

a) Change in Present Value of Defined Benefit Obligation

Particulars	Current Year	Previous Year
Present value of obligations at the beginning of the year	153,14,000	124,87,000
Current Service Cost	17,26,163	12,33,668
Interest Cost	12,25,120	9,98,960
Actuarial (Gain) / Loss	-11,29,568	15,07,704
Benefit paid	-10,01,387	-9,13,332
Present value of obligations at the end of the year	**161,34,328**	153,14,000

b) Change in Fair value of plan assets

Particular	Current Year	Previous Year
Fair Value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer's contributions	10,01,387	9,13,332
Actuarial gain / (loss) on plan assets	-	-
Benefit paid	-10,01,387	-9,13,332
Fair value of plan assets at the end of the year	-	-

c) Percentage of each category of plan assets to total fair value of plan assets as at 31st March 2016

Particulars	Current Year	Previous Year
Obligation on the part of the Company	100%	100%

GAUTAM N. ASSOCIATES CHARTERED ACCOUNTANTS M. No. 32742 AURANGABAD

d) Reconciliation of the present value of defined benefit obligations and the fair value of plan assets

Particulars	Current Year	Previous Year
Present value of funded obligations as at the end of the year	0	0
Fair value of plan assets as at the end of the year	0	0
Funded (Assets)/liability recognized in the Balance Sheet as at the	0	0
Present value of unfunded (assets) / obligations as at the end of the	161,34,328	153,14,000
Unrecognized past service cost	0	0
Unrecognized actuarial (gain)/loss	0	
Unfunded net (Assets)/liability recognized in the Balance Sheet as	**161,34,328**	**153,14,000**

e) Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2016

Particulars	Current Year	Previous Year
Current Service Cost	17,26,163	12,33,668
Interest Cost	12,25,120	9,98,960
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	-11,29,568	15,07,704
Past Service cost	0	0
Net Gratuity (income) / expense	**18,21,715**	**37,40,332**

f) Detail of Present value of obligation, Plan Assets and Experience Adjustments

Particulars	Current Year	Previous Year
Present value of obligation	161,34,328	153,14,000
Fair value of plan assets	-	-
(Surplus) / Deficit	161,34,328	153,14,000
Experience Adjustment	-	-
(Gain)/ Loss on plan liabilities	-	-
(Gain)/ Loss on plan assets	-	-

g) Expected contributions to Gratuity Fund next year Rs. NIL (Previous Year Rs. NIL)

h) The liability for leave encashment and compensated absences as at year end is Rs. 65,49,693 (Previous year liability Rs. 75,42,000)

NOTE NO – 39:

Related parties disclosure as per Accounting Standard - 18:

List of related parties

a) **Associates:-**
   i) Global Transgenes Ltd.
   ii) Agri Tech (India) Ltd.
   iii) Nath Biotechnologies Ltd.
   iv) Nath Royal Seed Ltd

b) **Relatives**
   ii) Ms. Soniya Kagliwal

c) **Key Management Personnel:-**
   Mr. Satish Kagliwal (Managing Director)

d) Transactions carried out with related parties as referred to in (a) to (c) above, in the ordinary course of the business:

Amount in Rupees

Sr no	Name of party	Nature of transactions	Current year	Previous year
1	Global Transgenes Ltd.	Amount Paid	-	117,11,454
		Amount Received	-	56,96,026
		Transfer (debit to account)	-	3,61,572
		Transfer (credit to account)	-	43,956
		Advance against R & D	124,14,609	-
2	Agri Tech (India) Ltd.	Transfer (debit to account)	-	14,26,552
		Transfer (credit to account)	-	1,00,000
		Amount Paid	-	146,13,225
		Amount Received	-	7,26,300
		Advance granted for land purchase	1009,50,643	-
		Land Purchase	2100,00,000	-
3	Nath Biotechnologies Ltd.	Transfer (debit to account)	229,49,630	386,09,072
		Amount Received	386,29,730	2,25,701
		Amount Paid	-	13,58,628
4	Nath Royal Seed Ltd	Purchases	1019,35,171	270,19,791
		Reimbursement of expenses paid	-	605,17,279
		Production Incentive	-	11,59,300
5	Soniya Kagliwal	Consultancy charges paid	4,05,000	4,05,000

GAUTAM N. ASSOCIATES AURANGABAD M. No. [illegible]

e)	Out standing balances at the year end	as on 31.03.2016 Rs.	as on 31.03.2015 Rs.
1	Global Transgenes Ltd.	29417256 Dr	10915037 Dr
2	Agri Tech (India) Ltd.	100950643 Dr	145165923 Dr
3	Nath Biotechnologies Ltd.	68225604 Dr	45315730 Dr
4	Nath Royal Seed Ltd	10095799 Dr	13976650 Cr
5	Ms. Soniya Kagliwal	33750 Cr	95071 Cr

Notes

1 Related party relationship is as identified by the Company and relied upon by the Auditors.

2 No amounts in respect of related parties have been written off/back during the year, nor have been provided for as doubtful debts.

NOTE NO – 40 :

	Current Year Rs.	Previous Year Rs.
CIF value of Imports: Purchase of Win Chi Win & Vegetable Seeds	29109665	8588409
Expenditure in Foreign Currency:-		
Travelling Expenses	783153	211047
Membership Fee	134043	603300
Earning in Foreign Currency: F.O.B value of Exports	43044545	47658579

NOTE NO – 41 :

Difference in Foreign Exchange Gain (Loss) included in other income	36921	561674

NOTE NO – 42:

Research & Development Expenditure comprises 20% of the following expenses under the various head allocated as deemed to be expedient by the management

		Current Year Rs	Previous Year Rs
a	Payment to and provisions for employee		
	Salaries, wages and bonus	249,88,894	247,28,158
	Contribution to provident and other funds	12,31,157	11,27,244
	Staff Welfare Expenses	435076	4,96,355
b	Other Seed Conditioning Expenses	128,15,569	141,16,304
c	Administration and Selling Expenses		
	Travelling and Conveyance	52,54,688	46,31,716
	Rates & Taxes	2,67,726	2,68,558
	Rent	46,64,501	35,31,127
	Miscellaneous Expenses	43,64,784	37,97,195
	Total	540,22,395	526,96,657

NOTE NO – 43 :

The net profit (loss) for the purpose of measurement of basic and diluted earnings per share in terms of Accounting Standard - 20 on Earnings Per Share issued by the Institute of Chartered Accountants of India has been calculated as under.

	Current Year Rs	Previous Year Rs.
Net Profit (loss) as per Profit & Loss Account	141674592	253974531
Less :- Dividend on Preference Shares	0	0
Numerator, Profit Available for equity share holders	141674592	253974531
[illegible]	[illegible]	[illegible]
Denominator for Diluted equity share holder	16004000	16004000
Basic Earnings per share is arrived at by dividing Numerator by Denominator	8.85	15.87
Diluted Earnings per share is arrived at by dividing Numerator for diluted equity share holder by Denominator	8.85	15.87
The nominal value per equity shares is Rupees	10	10

NOTE NO – 44 :

Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

Nandkishor Kagliwal	Satish Kagliwal	Laveena Chanchlani
Chairman	Managing Director	Company Secretary
DIN:01691691	DIN: 00119601	

Place : Aurangabad
Date : 30th May 2016

GAUTAM N. ASSOCIATES AURANGABAD M. No. 32742

Nath Bio-Genes (India) Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2016

	2015-2016 Rs	2014-2015 Rs
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extra Ordinary items	1523,44,490	2628,83,090
Adjustment for :		
Depreciation	390,48,408	438,70,934
Interest Paid / Financial Charges	623,09,122	459,19,648
Interest earned	0	0
Operating Profit before working capital changes	2537,02,020	3526,73,672
Adjustment for :		
(Increase) / Decrease in Trade Receivables	-43,58,706	-970,60,897
(Increase) / Decrease in Inventories	-2370,48,852	-2846,65,448
(Increase) / Decrease in Other Current Assets	131,12,368	-27,01,127
(Increase) / Decrease in Short Term Loans & Advances	505,73,148	-67,85,680
Increase / (Decrease) in Trade Payable	-360,71,662	1229,46,773
Increase / (Decrease) in Other Current Liability	-781,17,004	-278,30,971
Increase / (Decrease) in Short Term Provision	83,46,810	116,27,402
Cash Generated from operation before Tax & Extra Ordinary item	-1310,08,173	682,03,722
Extra Ordinary Items	-1,87,637	6,45,711
Income Tax Provisions	-104,82,261	-95,54,270
Net Cash Flow from Operating Activities - (A)	-1416,78,071	592,95,163
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-2161,74,087	-70,60,991
Sale of Fixed Assets	4,44,304	1,98,626
(Increase) / Decrease in Long Term Loans & Advances	465,05,429	-147,50,830
Interest Received	0	0
Net Cash Flow from Investing Activities - (B)	-1692,24,354	-216,13,195
C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid / Financial Charges	-623,09,122	-459,19,648
Increase / (Decrease) in Long Term Borrowings	1425,32,599	-67,12,292
Increase / (Decrease) in Long Term Provisions	-14,02,883	28,11,000
Increase / (Decrease) in Short Term Borrowings	2286,05,131	57,25,185
Net Cash Flow From Financing Activities - (C)	3074,25,724	-440,95,754
Net increase/Decrease in cash & cash equivalent (A+B+C)	-34,76,700	-64,13,786
Opening Cash and Cash Equivalent	157,21,399	221,35,185
CLOSING CASH & CASH EQUIVALENT	122,44,699	157,21,399
	1	-0

The cash flow statement has been prepared as per the Indirect method prescribed in Accounting Standard - 3 "Cash Flow Statement"

For Gautam N Associates
Chartered Accountants
Firm Registration No 103117W

For and on behalf of Board of Directors

Gautam

Gautam Nandawat
Partner
M No 32742

Nandkishor Kagliwal
Chairman
DIN:01691691

Satish Kagliwal
Managing Director
DIN: 00119601

Laveena Chanchalani
Company Secretary

GAUTAM N. ASSOCIATES

Place: Aurangabad
Date: 30.05.2016

Gautam N Associates
Chartered Accountants
30, GNA House, Behind ABC Complex,
Manmandir Travels Lane, Adalat Road, Aurangabad-431001

Independent Auditor's Report

To,
The members of
Nath Bio-genes (I) Limited
Aurangabad

Report on the Financial Statements

We have audited the accompanying financial statements of Nath Bio-genes (I) Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and rules made there-under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial internal control system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:-

a) Note No 32 to the financial statements which describes that Creditors, Unsecured Loans, certain current account balances with banks, Deposits, Loans and Advances are subject to confirmation and reconciliation.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

   b) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   c) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   d) The Balance Sheet, Statement Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

f) On the basis of written representations received from the directors as on 31st March, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of section 164(2) of the Act.

g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our opinion and to the best of our information and according to the explanation given to us:

   i. The company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note No. 29 to the financial statements.
   ii. Company does not have long term contracts or derivative contracts which require provision.
   iii. According to the information and explanations given to us, there is no amount required to be transferred to investor education and protection fund.

For Gautam N Associates
Chartered Accountants
FRN 103117W

Gautam

Gautam Nandawat
Partner
Membership No 032742

Place: Aurangabad
Dated: 29.05.2015

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2015, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) As explained to us, some of the fixed assets have been physically verified by the management during the year according to the phased program of verification, which in our opinion, should be such so as to cover more items of fixed assets with more frequency having regard to the size of the Company and nature of its fixed assets. As explained, discrepancies as may be noticed on reconciliation with the fixed assets records as and when updated will be appropriately adjusted and accounted for.

2. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

   (b) The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of Company and the nature of its business.

   (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material, which have been properly dealt with in the books of account.

3. As per the information and explanation given to us Company has granted unsecured loans to parties covered in the registered maintained under section 189 of the Act. In absence of repayment schedule, we are unable to comment if the same are being repaid timely.

4. In our opinion and according to the information and explanations given to us, internal control procedures are commensurate with the size of the Company and nature of its business for the purchase of inventory, fixed assets and sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in the internal controls.

5. The Company has not accepted any deposits during the year from public

6. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for maintenance of the cost records under section 148(1) of the Act and we are of the opinion that, prima facie, the prescribed accounts and records have generally been made and maintained. We have, however, not made detailed examination with a view to determine whether they are accurate and complete.

7. (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Investor Education and Protection Fund, Provident Fund Employee State Insurance and other statutory dues applicable to it. The outstanding statutory dues as at the last day of the financial year concerned are as follows:

   b) According to the information and explanations given to us, there are no dues of Wealth Tax, Sales Tax, Custom Duty, cess, etc. as at 31st March 2015, which have not been deposited on account of any dispute except Income Tax Rs. 1,72,91,980 and Provident Fund Rs. 25,45,425, which have been contested in the appeal and not provided for in the books of account.

(c) According to the information and explanations given to us, there is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

8. In our opinion, the company does have accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and also during the immediately preceding financial year.

9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in payment of dues to financial institution or bank or debenture holders.

10. According to the information given to us, the Company has given a guarantee for loans of Rs. 30.00 Crores granted by ICICI Bank to the growers of the Company and the terms and conditions whereof are not prejudicial to the interest of the company.

11. In our opinion, the term loans have been applied for the purposes for which they were raised.

12. During the course of our examination of the books and records of the Company, we have neither come across any instance of fraud on or by the Company, noticed or reported during the period, nor have we been informed of any such case by the management.

For Gautam N Associates
Chartered Accountants
FRN 103117W

Gautam

Gautam Nandawat
Partner
M No 32742

Place: Aurangabad
Date: 29.05.2015

NATH BIO-GENES (INDIA) LIMITED
BALANCE SHEET AS AT 31 MARCH 2015

Amount in Rs

PARTICULARS	NOTE NO	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
a) Share Capital	3	160,040,000	160,040,000
b) Reserves & Surplus	4	911,324,928	657,741,147
c) Money Received against share warrant		-	-
		1,071,364,928	**817,781,147**
(2) Share Application money pending allotment		-	-
(3) Non current Liabilities			
a) Long Term Borrowings	5	7,467,401	14,179,692
b) Deferred Tax Liabilities		-	-
c) Other Long Term Liabilities		-	-
d) Long Term Provisions	6	19,267,000	16,456,000
		26,734,401	**30,635,692**
(4) Current Liabilities			
a) Short Term Borrowings	7	201,843,019	196,117,834
b) Trade Payables	8	515,585,177	392,638,405
c) Other Current Liabilities	9	432,138,020	459,968,991
d) Short Term Provisions	10	13,768,512	2,141,110
		1,163,334,728	**1,050,866,340**
TOTAL		**2,261,434,057**	**1,899,283,179**
II. ASSETS			
(1) Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	11	78,537,911	87,410,949
ii) Intangible Assets	11	49,416,336	82,940,683
iii) Capital Work In Progress		-	-
iv) Intangible assets under development		-	-
		127,954,247	**165,351,632**
b) Non Current Investments	12	23,275	20,875
c) Deferred Tax Assets (Net)	13	10,558,815	9,350,301
d) Long Term Loans and Advances	14	145,585,923	132,047,940
e) Other Non Current Assets		-	-
		156,168,013	141,419,116
(2) Current Assets			
a) Current Investments	15	49,940,000	49,940,000
b) Inventories	16	1,170,349,198	885,683,750
c) Trade Receivables	17	448,755,883	351,694,986
d) Cash and Cash Equivalents	18	15,721,399	22,135,185
e) Short Term Loans and Advances	19	267,901,502	261,115,821
f) Other Current Assets	20	24,643,814	21,942,687
		1,977,311,797	**1,592,512,480**
TOTAL		**2,261,434,057**	**1,899,283,179**
Cash Flow Statement	1	0	(0)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS			

AS PER OUR ATTACHED REPORT OF EVEN DATE

For Gautam N Associates
FRN: 103117W
Chartered Accountants

For and on behalf of the Board of Directors

Gautam

Gautam Nandawat	Satish Kagliwal	Nandkishor Kagliwal	Laveena Chanchalani
Partner	Managing Director	Chairman	Company Secretary
M No 32742	DIN: 00119601	DIN:01691691	

Place : Aurangabad
Dated: 30th May 2015

NATH BIO-GENES (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2015

Amount in Rs

PARTICULARS	NOTE NO.	For year ended on 31st March 2015 (Rs.)	For year ended on 31st March 2014 (Rs.)
REVENUE			
Revenue from operations	21	1,853,269,981	1,721,153,391
Other Income	22	5,850,556	5,958,074
		1,859,120,536	1,727,111,465
EXPENDITURE			
Purchase of stock in trade		35,858,687	93,657,536
Production Expenses	23	669,368,001	467,071,960
Change in Inventories	24	(297,498,237)	(89,369,563)
Employees Benefits Expenses	25	156,798,208	129,606,923
Finance Costs	26	45,919,648	37,609,077
Depreciation and Amortization	11	43,870,934	46,613,599
Other Expenses	27	941,920,205	786,673,064
		1,596,237,446	1,471,862,595
PROFIT FOR THE YEAR BEFORE PRIOR year EXPENSES		262,883,090	255,248,870
Prior year expenses	28	(645,711)	120,311
PROFIT /(LOSS) BEFORE TAX		263,528,801	255,128,559
Tax Expenses			
Provision for Income Tax		10,104,402	-
Provision / (Reversal of Provision) for Income Tax of earlier years		446,404	(118,521)
Interest on Income Tax		-	12,389,963
Provision for Wealth Tax		211,978	137,251
Provision for Deferred Tax (Assets)		(1,208,514)	(320,200)
Profit for the year		253,974,531	243,040,066
Earning Per Shares - Basic		15.87	15.19
- Diluted		15.87	15.19
Cash Flow Statement			
NOTES FORMING PART OF THE FINANCIAL STATEMENTS			

AS PER OUR ATTACHED REPORT OF EVEN DATE

For Gautam N Associates
FRN: 103117W
Chartered Accountants

For and on behalf of the Board of Directors

Gautam

Gautam Nandawat	**Satish Kagliwal**	**Nandkishor Kagliwal**	**Laveena Chanchalani**
Partner	**Managing Director**	**Chairman**	**Company Secretary**
M No 32742	**DIN: 00119601**	**DIN:01691691**	

Place : Aurangabad
Dated: 30th May 2014

Note No .1 : GENERAL INFORMATION

The Company is incorporated under the Companies Act, 1956 and engaged in the business of Production, Processing, and Marketing of Hybrid and GM Seeds. The Company has a product range of Field crops, Vegetable crops and Micro Nutrient Supplements. The major Processing Plants are Aurangabad(MS), and Munipalli, Nizamabad (TG). The company has a PAN India presence for sales through an extensive network of distributers.

Note No 2-

SIGNIFICANT ACCOUNTING POLICIES:

A GENERAL

i) The financial statements are prepared on historical cost basis in accordance with applicable Accounting Standards and on accounting principles of a going concern. These financial statements have been prepared to comply with all material aspects with the accounting standards notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Companies Act, 2013 (the "Act").

ii) Interest on overdue debtors is accounted for as and when received, as the collection cannot be ascertained with reasonable certainty.

iii) Sales return are accounted for / provided for in the year in which they pertain to, as ascertained till finalization of the books of account.

iv) Compensation on account of crop quality discounts are accounted for as and when settled.

v) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

B FIXED ASSETS:

1) Fixed Assets are stated at cost including freight, duties, taxes and all incidental expenses related thereto.

2) New product development expenditure is capitalized to Seed Development Know-how. The same is written off in ten equal yearly installments commencing from the year of acquisition / incurring such expenditure.

C CAPITAL WORK-IN-PROGRESS

Expenditure related to and incurred during the implementation of the projects including advances is included under Capital Work-in-Progress and the same are capitalized under the appropriate heads on completion of the projects.

D DEPRECIATION / AMORTIZATION

i) Depreciation on Fixed Assets, except for Intangible Assets, Development and Research Assets (Seed Development Know-How & Gene Development Know-How), is provided for on basis of useful life specified in Schedule II to the Act.

ii) Intangible assets such as Brands, Trade Marks, Marketing Rights, Seed Development Know-How are amortized in ten equal yearly installments commencing from the year in which the tangible benefits start accruing to the Company from such assets.

iii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of assets. The useful life is adopted for the purpose of depreciation is as under. Aslo refer Note No..36

Assets	Useful life year
i) Factory Building	30
ii) Plant & Machineries	15
iii) Laboratory Equipment	10
iv) Agricultural Equipments	15
v) Office Equipments	15
vi) EDP Equipments	3
vii) Furniture & Fixture	10
viii) Motor Car & Light Vehicle	8

E RESEARCH AND DEVELOPMENT EXPENDITURE:

i) The research expenditure incurred has been charged off to the Statement of Profit & Loss.

ii) Certain expenses to the extent of 20% are transferred to Research and Development expenses as considered expedient by the management. Refer Note No 42

F INVENTORIES:

i) The inventories including sales returns are valued at lower of cost and net realizable value. Cost is assigned on weighted average basis. Obsolete, defective and unserviceable stocks are provided for.

ii) Cost of finished products comprises the cost of processing and other cost incurred in bringing the inventories to their present location & condition.

G FOREIGN CURRENCY TRANSACTIONS:

i) Transactions in foreign currency are recorded at the rate prevailing on the date of the transaction.

ii) Current Assets and Current Liabilities in foreign currency outstanding as at the year-end are stated at the rates of exchange prevailing at the close of the year. The resultant gains/losses of the year are recognized in the Statement of Profit and Loss.

H GOVERNMENT GRANTS

i) Grants are accounted for where it is reasonably certain that the ultimate collection will be made.

ii) Grants relating to Fixed Assets in the nature of Project Capital Subsidy are credited to Capital Reserve.

iii) Others are credited to Statement of Profit and Loss.

I RETIREMENT BENEFITS:

Liability as at the year end in respect of retirement benefits is provided for and/ or funded and charged to Statement of Profit and Loss as follows:

i) Provident Fund / Family Pensions:

At a percentage of salary/wages for eligible employees.

ii) Gratuity

The liability in respect of future payment of gratuity is changed and the same is provided based on the actuarial valuation.

iii) Leave Encashment

The liability in respect of accumulated leave of the employees is provided based on the actuarial valuation.

G BORROWING COST

Borrowing cost directly attributable to acquisition, construction, production of qualifying assets are capitalized as a part of the cost of such assets up to the date of completion. Other borrowing costs are charged to Statement of Profit and Loss.

K TAXATION

i) Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of Income Tax Act 1961.

ii) Deferred tax for timing difference between tax profit and book profit is accounted for using the tax rates and laws as have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that these assets can be realized in future and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

L AGRICULTURAL ACTIVITIES

i) Income from the agricultural activities is accounted for up to the stage of dispatch of goods.

ii) Expenses which are directly related to the agricultural activities have been accounted for in the books of account under the respective activities. Expenses which are not related to the specific activities are allocated on the basis of turnover (net of return and Schemes & Discounts) of Agricultural activities and Trading activities.

iii) Certain unallocable expenses like extra-ordinary items / prior year expenses are not allocated.

M EARNING PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year attributable to equity share holders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 3
SHARE CAPITAL

PARTICULARS	AS AT 31st MARCH 2015		AS AT 31st MARCH 2014	
	Number	Amount in Rs	Amount in Rs	Amount in Rs
Authorized				
Equity Shares of Rs.10 each	16,500,000	165000000	16500000	165000000
16% Cumulative Redeemable Preference Shares of Rs.100 each	50,000	500000	50000	500000
	16,550,000	165500000	16550000	165500000
Issued, Subscribed & Paid up				
Equity Shares of Rs.10 each	16004000	160040000	16004000	160040000
TOTAL	16004000	160040000	16004000	160040000

(a) The Reconciliation of the numbers of Shares outstanding stated below:-

PARTICULARS	AS AT 31st MARCH 2015		AS AT 31st MARCH 2014	
	Number	Amount in Rs	Amount in Rs	Amount in Rs
Equity Shares				
Shares outstanding at the beginning of the year	16004000	160040000	16004000	160040000
Shares Issued during the year	0	0	0	0
Shares Bought-back during the year	0	0	0	0
Shares outstanding at the end of the year	**16004000**	**160040000**	**16004000**	**160040000**

(b) Equity shareholder is eligible for one vote per share held. They are eligible for dividend on the basis of their shareholding. In the case of liquidation, the equity shareholder are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

(c) Details of Shareholders holding more than 5% Shares in the company

Name of the shareholder	AS AT 31st MARCH 2015		AS AT 31st MARCH 2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
a) Akash Farms Pvt Ltd	1,865,930	11.66	1,865,930	11.66
b) Ashu Farms Pvt Ltd	1,850,000	11.56	1,850,000	11.56
c) Nath Royal Ltd	1,081,543	6.76	1,081,543	6.76
d) ARC Trust Fund	3,841,753	24.00	3,841,753	24.00
e) Agri-Tech India Ltd	958,247	5.99	958,247	5.99
	9,597,473	**59.97**	**9,597,473.00**	**59.97**

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 4
RESERVES & SURPLUS

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
Capital Reserve :		
	126,400,203	**126,400,203**
General Reserve	29,700,000	29,700,000
Statement of Profit & Loss		
Opening Balance	501,640,944	258,600,878
Less: Depreciation adjustment	(390,750)	-
Add: Profit for the year	253,974,531	243,040,066
Closing Balance	**755,224,725**	**501,640,944**
	911,324,928	**657,741,147**

NOTE -- 5
LONG TERM BORROWINGS

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
SECURED LOANS		
Term Loan against Vehicles	7,467,401	13,578,952
Secured by hypothecation of vehicles purchased in the name of company/ directors of the company.		
UNSECURED LOANS		
Deferred Sales Tax Loan	0	600,740
	7,467,401	**14,179,692**

NOTE -- 6

LONG TERM PROVISIONS

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
Provisions for Employee Benefits		
Gratuity	12,537,000	11,050,000
Leave encashment	6,730,000	5,406,000
	19,267,000	16,456,000

NOTE -- 7

SHORT TERM BORROWINGS

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
SECURED		
a) From bank	162,716,881	151,494,494
(Secured by way of hypothecation of stock of seeds and trade receivables; collaterally secured by way of mortgage of land and building situated at Gut No 64 (1) (part) Itkeda, Aurangabad. Also personally guaranteed by two promoters directors of the Company)		
UNSECURED		
a) Deposits from Dealers	36,539,445	31,089,445
b) From Others	2,586,693	2,314,500
b) From related parties	-	11,219,395
	201,843,019	196,117,834

NOTE -- 8

TRADE PAYABLES

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
Sundry Creditors for Seeds/Supplies	434,989,404	333,195,919
Sundry Creditors - SME Sector	5,429,108	6,593,612
Sundry Creditors for staff balances	50,712,404	31,969,812
Others Creditors	24,454,261	20,879,061
	515,585,177	392,638,405

NOTE -- 9

OTHER CURRENT LIABILITIES

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
Current maturities of long term debts		
Term Loan from Banks	-	-
Vehicle Loan	11,505,643	18,443,536
Deferred Sales Tax Loan	1,605,881	1,440,286
Other Payables		
Credit Balance in Debtors	53,451,169	58,275,654
Statutory Liabilities	18,262,106	14,477,763
Advance against Sales	347,313,221	367,331,752
	432,138,020	459,968,991

NOTE -- 10

SHORT TERM PROVISIONS

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
Provision for Income Tax	10,179,512	75,110
Provisions for Employee Benefits		
Gratuity	2,777,000	1,437,000
Leave encashment	812,000	629,000
	13,768,512	2,141,110

NATH BIO-GENES (INDIA) LIMITED

NOTE NO – 12 :
DEFERRED TAX ASSETS

Calculation of Deferred Tax Asset as on 31.03.2015 is given as under: -	Deferred Assets (Rs.)	Tax Amount (Rs)
WDV of Fixed Asset	649,638	200,738
Gratuity	15,314,000	4,732,026
Leave Encashment	7,542,000	2,330,478
Expenses disallowed u/s 43B of Income Tax Act	5,351,354	1,653,569
Total Deferred Tax assets at the year end		8,916,811
Less: Opening deferred tax assets		9,350,301
Deferred Tax Assets recognized during the year		(433,490)

NOTE -- 13
NON CURRENT INVESTMENTS

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
UNQUOTED; AT COST; NON-TRADE		
Nath Cooperative Society	13,200	10,800
(1320 Previous year : 1080 equity shares of Rs. 10 each)		
National Saving Certificate	10,075	10,075
	23,275	**20,875**

NOTE -- 14
LONG TERM LOANS AND ADVANCES

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
(Unsecured, Considered good)		
Capital Advances		
- Vehicle purchase	-	1,599,494
- Building Construction	-	496,000
- Land purchase from a related party	145,585,923	129,952,446
	145,585,923	**132,047,940**

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 15
CURRENT INVESTMENTS

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
UNQUOTED; AT COST; TRADE		
Investment in Associate Company holding 49.94 % in the capital		
Equity shares in Paithan Mega Food Parks Pvt Ltd	49,940,000	49,940,000
49,94,000 Equity shares of Rs. 10 each		
	49,940,000	**49,940,000**

NOTE -- 16
INVENTORIES

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
(As taken, valued and certified by the management)		
Stores and Packing Materials	55,142,474	67,975,263
Processed Seeds	1,020,358,593	718,115,898
Unprocessed Seeds	77,500,101	61,263,589
Seed (Traded Stock)	3,688,000	7,843,000
Micro Nutrient Supplement	13,660,030	30,486,000
	1,170,349,198	**885,683,750**

NOTE -- 17
TRADE RECEIVABLE

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
i) Secured: Considered Good		
Due for a year of less than six months	96,824,396	76,918,331
Due for a year of more than six months	9,632,097	24,282,330
ii) Unsecured: Considered Good		
Due for a year of less than six months	245,732,590	195,500,398
Due for a year of more than six months	96,566,800	54,993,927
ii) Unsecured: Considered doubtful:		
Due for a year of more than six months	14,697,955	13,451,247
Less: Provision for doubtful debtors	(14,697,955)	(13,451,247)
	448,755,883	**351,694,986**

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 18

CASH AND CASH EQUIVALANTS

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
Cash on hand	432,754	504,774
Balances with Banks:		
i) In Current Accounts	14,711,011	21,629,411
ii) In Fixed Deposit Accounts having original maturity beyond 12 months	577,634	1,000
	15,721,399	22,135,185

NOTE -- 19

SHORT TERM LOANS AND ADVANCES

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
(Unsecured, Considered good)		
Advances to a related party	56,191,011	10,155,724
Advances against seed production	174,236,842	212,442,165
Advances against purchase	6,155,536	4,717,606
Advances to Staff	2,429,057	4,464,867
Income Tax deducted at source/Tax paid	28,889,056	29,335,460
	267,901,502	261,115,821

NOTE -- 20

OTHER CURRENT ASSETS

PARTICULARS	As at 31st March 2015 (Rs.)	As at 31st March 2014 (Rs.)
VAT Receivable	8,335,818	7,207,489
Sundry Deposits	4,534,002	9,987,910
Deposit with Income tax for stay of demand	7,787,500	2,500,000
Insurance claim receivable	244,997	-
Prepaid Expenses	2,223,471	2,247,287
Others	1,518,025	-
	24,643,814	21,942,687

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 21

REVENUE FROM OPERATIONS

PARTICULARS	For year ended on 31st March 2015 (Rs.)	For year ended on 31st March 2014 (Rs.)
Sale of Agricultural Products		
Commercial seeds and Remnant	1,572,869,820	1,494,881,331
Foundation seeds	4,867,161	6,026,060
	1,577,736,981	1,500,907,391
Trading of agricultural products	275,533,000	220,246,000
	1,853,269,981	1,721,153,391

NOTE -- 22

OTHER INCOME

PARTICULARS	For year ended on 31st March 2015 (Rs.)	For year ended on 31st March 2014 (Rs.)
Interest Received	88,660	60,033
Profit on Sale of Fixed Assets	26,374	117,471
Insurance claim received	1,084,205	397,950
Excess Provision W/back	24,105	800,227
Excess Provision for Bad debts W/back	-	1,159,974
Other Income	4,627,212	3,422,419
	5,850,556	5,958,074

NOTE -- 23
PRODUCTION EXPENSES

PARTICULARS	For year ended on 31st March 2015 (Rs.)	For year ended on 31st March 2014 (Rs.)
Land Preparation Expenses	141,880,250	72,216,209
Fertilizer & Pesticides	121,474,848	106,506,673
Labour Wages	195,392,710	149,758,001
Lease Rent for agricultural land	100,910,207	79,055,181
Other Farm Expenses	97,363,923	50,677,059
Incentive to Growers	12,346,063	8,858,837
[Also refer note no 37(ii)]	**669,368,001**	**467,071,960**

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 24
CHANGE IN INVENTORIES

PARTICULARS	For year ended on 31st March 2015 (Rs.)	For year ended on 31st March 2014 (Rs.)
SEEDS:		
Closing Stock		
Processed Seeds	1,020,358,593	718,115,898
Unprocessed Seeds	77,500,101	61,263,589
Seed (Traded)	3,688,000	7,843,000
Micro Nutrient Supplement	13,660,030	30,486,000
	1,115,206,724	817,708,487
Opening Stock		
Processed Seeds	718,115,898	677,140,670
Unprocessed Seeds	61,263,589	23,137,254
Seed (Traded)	7,843,000	2,966,000
Micro Nutrient Supplement	30,486,000	25,095,000
	817,708,487	**728,338,924**
	297,498,237	**89,369,563**

NOTE -- 25
EMPLOYEES BENEFITS EXPENSES

PARTICULARS	For year ended on 31st March 2015 (Rs.)	For year ended on 31st March 2014 (Rs.)
Salaries, Wages and Bonus	127,543,911	101,806,216
Contribution to Provident and Other Funds	4,890,175	4,311,921
Staff Welfare Expenses	6,942,892	3,324,635
Staff Incentive	17,421,230	20,164,151
	156,798,208	**129,606,923**

NOTE -- 26
FINANCE COSTS

PARTICULARS	For year ended on 31st March 2015 (Rs.)	For year ended on 31st March 2014 (Rs.)
Interest Expenses	42,030,483	37,187,146
Finance Charges	3,889,165	421,931
	45,919,648	**37,609,077**

GAUTAM N. ASSOCIATES

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 27

OTHER EXPENSES

PARTICULARS	For year ended on 31st March 2015 (Rs.)	For year ended on 31st March 2014 (Rs.)
A. Seed Conditioning Expenses		
Freight Inward, Hamali & Cartage	15,880,849	18,413,637
Stores and Processing Materials consumed	115,683,232	77,186,090
Power and Fuel	6,763,796	5,911,368
Repairs and Maintenance (Machinery)	1,822,640	2,644,382
Repairs and Maintenance (Factory Building)	780,980	1,229,050
Hamali & Cartage - Processing Plant	17,349,846	10,337,565
Processing Expenses	9,047,526	6,787,421
Other Seed Conditioning Expenses	7,306,743	7,852,501
	174,635,612	130,362,014
B. Administrative Expenses		
Rent	15,080,250	10,098,623
Rates and Taxes	1,294,421	1,224,699
Insurance	2,830,175	2,285,987
Legal & Professional Expenses	9,857,548	7,938,426
Repairs and Maintenance - Office Building	1,252,138	3,277,760
Running and maintenance - Vehicle	25,789,768	24,859,329
Repairs and Maintenance - Others	6,161,208	2,446,188
Communication	5,684,831	5,741,825
Printing & Stationery	3,522,838	3,057,825
Auditors' Remuneration:		
Statutory Audit Fee	456,000	421,350
Tax Audit Fee	85,500	84,270
Reimbursement of Expenses	10,000	10,000
Directors' remuneration	2,196,662	1,204,996
Miscellaneous Expenses	5,382,079	4,556,269
Bank Charges	660,082	3,169,051
Security Charges	1,827,207	2,571,889
	82,090,708	**72,948,487**
C. Selling Expenses		
Travelling and Conveyance	21,334,497	21,255,034
Advertisement and Sales Promotion	22,235,656	25,665,195
Freight Outward	83,261,467	54,099,470
Commission	62,650	26,500
Other selling expenses	15,483,810	12,461,731
Bad Debts Provisions	1,246,708	-
Sundry debit balances written off	100,376	2
	143,725,163	**113,507,931**
D. Discount, Schemes and Incentives		
Cash Discounts	25,360,719	19,921,726
Quantity Discounts	148,826,521	135,046,590
Additional Discount	244,987,958	208,563,570
	419,175,198	**363,531,886**
E. Research and Development Expenses		
R & D Farmer Advisory Expenses	34,133,907	34,914,744
Research and Development Expenses	54,055,328	44,787,819
R & D Field Visits & Field days	17,126,199	20,361,846
Farming Expenses	1,531,170	1,454,650
Large Scale Trial Expenses	14,028,037	3,517,022
Workshop & Meeting Exps. - Other than Fees	1,399,789	1,108,280
Fees for Workshops & Meetings	19,095	158,948
Crop Seminar Expenses	-	19,438
	122,293,525	**106,322,746**
Total (A+B+C+D+E)	**941,920,205**	**786,673,064**

NATH BIO-GENES (INDIA) LIMITED

NOTE -- 28

PRIOR year EXPENSES

PARTICULARS	For year ended on 31st March 2015 (Rs.)	For year ended on 31st March 2014 (Rs.)
EXPENSES		
Prior year Expenses		120,311
	-	120,311
INCOMES		
Excess provision earlier years written back	645,711	
	645,711	-
	(645,711)	120,311

NOTE NO – 29 Contingent liabilities not provided for in respect of:-		Current Year Rs.	Previous Year Rs.
a)	Claims against the Company not acknowledged as debts in respect of legal cases including consumer cases.	8,520,880	4,064,600
b)	The liability on account of damages u/s 14B of the Employees Provident Fund and Misc Provisions Act, 1952, which is being contested by the Company in appeal.	2,545,425	2,545,425
c)	Corporate Guarantee given in favour of ICICI Bank towards crop loan taken by the seed growers of the company	300,000,000	300,000,000
d)	Income tax demand for the Assessment year 2012-13, which is being contested by the Company	17,291,980	NIL
NOTE NO – 30	Capital Commitments for land purchase	64,658,077	80,291,554

NOTE NO – 31

In the opinion of the Board, Current and Non-current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of the business.

NOTE NO – 32

Certain accounts of Sundry Debtors, Creditors, Unsecured Loans, Employees Account, certain current account balances with banks, Loans and Advances (including advances given to growers and inter party transfer & balances) are subject to confirmations and reconciliation's, if any. The difference as may be noticed on reconciliation will be duly accounted for on completion thereof. In the opinion of the management, the ultimate difference will not be material.

NOTE NO – 33

Managerial Remuneration:	Current Year (Rs.)	Previous year (Rs.)
Managing Director :-		
Salary & Allowances	1800000	1204996
Arrear of salary and allowances	396662	0
Contribution to Provident Fund	0	0
	2196662	1204996

NOTE NO – 34

The Company has dispatched letters to certain vendors to ascertain their status under the Micro, Small and Medium Enterprises Development Act, 2006. Based upon the confirmation received from the following parties, the principal dues and interest worked out @36% p.a. thereon is as under:-

Sr No	Name of parties	Amount payable Rs.	Interest due Rs.
1	Balu Industries	713,853	157,094
2	Gubba Agro Fresh Pvt Ltd	24,471	3,283
3	Gubba Cold Storage Ltd	49,116	5,952
4	Integrated Coating & Seed Technology Pvt Ltd	1,828,056	549,258
5	Jagruti Offset	525,419	212,208
6	Printwell International Pvt Ltd	1,202,353	33,438
7	Zaware Creative Enterprises Pvt Ltd	735,840	22,387
8	Mars Packaging Industries	350,000	129,797
	Total (Net)	5,429,108	1,113,417

NOTE NO – 35

The Information related to Segmental Reporting as required to be disclosed in accordance with the accounting standard: 'AS 17-Segment Reporting' are as under:-

(a) Broadly the activity of the company falls within Two segments

Criteria	Segments
Product Base	1. Agricultural Activities (Seed Production)
	2. Trading Activities

(b) The financial data of both segments are as follows

Amount in Rs.

Sr No	Particulars	Agriculture Activities	Trading Activity	Total
A	Segment Revenue (Net of trade discount, Scheme and discounts)			
i	External Sales/income	1,261,026,783	173,068,000	1,434,094,783
		(1,208,253,505)	(149,368,000)	(1,357,621,505)
ii	Inter-segment Sale	-	-	-
		-	-	-
iii	Other Income	-	5,850,556	5,850,556
			(5,958,074)	(5,802,467)
	Change in inventory	318,479,207	(20,980,970)	297,498,237
		(79,101,563)	(10,268,000)	(89,369,563)
iv	Total Revenue	1,579,505,990	157,937,586	1,737,443,576
		(1,287,355,068)	(165,594,074)	(1,452,949,142)
B	Total Revenue of each segment as a percentage of total revenue of all segment	90.91	9.09	
		(89.00)	(11.00)	
	Less: Production Expenses /Purchases	785,051,233	35,858,687	820,909,920
		(544,170,050)	(93,745,536)	(637,915,586)
	Less: Other Expenses	574,767,358	78,883,207	653,650,565
		(498,196,152)	(61,588,535)	(559,784,687)
C	Segment Result [Profit/(loss)]	219,687,399	43,195,691	262,883,090
		(244,988,866)	(10,260,004)	(255,248,870)
D	Segment Result as a percentage of segmental result to the Profit	83.57	16.43	
		(95.98)	(4.02)	

(c) Figures given in the brecket are related to previous year.

(d) The allocation of other expenses as mentioned in (b) B above, which are not directly relating to specific activity of prouction or trading have been made by the mangement in the ratio of turnover and relied upon by the auditors.

NOTE NO – 36

i In the opinion of the Board, fixed assets have been stated at cost, which is at least equal to or less than the realizable value if sold in the ordinary course of business. Consequently, the management is of the opinion that there is no impairment of assets.

ii Pursuant to the notification of Schedule II of the Companies Act, 2013, (the Act) by the Ministry of Corporate Affairs effective from 01.04.2014, the management has internally reassessed based upon the technical evaluation and changed, wherever necessary, the useful life to compute depreciation to confirm the requirement of the Act. Accordingly, the carrying amount as at 01.04.2014 is being depreciated over the revised useful life of the assets. In case of assets with NIL revised remaining useful life as at 01.04.2014 is reduced after tax adjustment from the retained earning as at such date in the financial results. Further, had the company continued with the previously assessed useful life the charge of depreciation for the year ended 31.03.2015 would have been lower by Rs. 71,91,410 and the profit before tax would also have been higher by such amount in financial results as also fixed assets as on 31.03.2015 would have been higher to that extent.

NOTE NO - 37	
i	The company is engaged in agricultural activities of production of seeds on lease hold land situated at various part of India.
ii	The company has entered into agreements with various growers for cultivation and production of agricultural produce in view of the fact that the company itself is unable to carry on such activities which are spread over various parts of India. The company has reimbursed the cultivation expenses based upon the agreement entered into with the growers.

NOTE NO - 38 :

Employee Benefits

The company has classified the various benefits provided to employees as under

Defined Contribution Plans :

During the year, the Company has recognized the following amounts in the Profit & Loss Account

		Current Year	Previous Year
-	Employers Contribution to Provident Fund	4,249,922	3,717,843
-	Employers Contribution to ESI	0	13,250
-	Employers Contribution to Labour Welfare Fund	10,158	10,656

Defined Benefit Plans

The company has neither created fund nor contributed to Scheme framed by the Insurance Company for the defined benefit plans for the qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit credit method with actuarial valuations being carried out at each balance sheet date.

In accordance with accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions: -

Particulars	Current Year	Previous Year
Discount Rate	8%	8%
Salary escalation rate	6%	6%
Expected rate of return on Plan Assets	-	-
Expected average remaining service of employee in the number of	-	-

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2015

a) Change in Present Value of Defined Benefit Obligation

Particulars	Current Year	Previous Year
Present value of obligations at the beginning of the year	12,487,000	11,014,000
Current Service Cost	1,233,668	1,436,526
Interest Cost	998,960	837,475
Actuarial (Gain) / Loss	1,507,704	290,120
Benefit paid	-913,332	-1,091,121
Present value of obligations at the end of the year	**15,314,000**	**12,487,000**

b) Change in Fair value of plan assets

Particular	Current Year	Previous Year
Fair Value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer's contributions	913,332	1,091,121
Actuarial gain / (loss) on plan assets	-	-
Benefit paid	-913,332	-1,091,121
Fair value of plan assets at the end of the year	-	-

c) Percentage of each category of plan assets to total fair value of plan assets as at 31st March 2015

Particulars	Current Year	Previous Year
Obligation on the part of the Company	100%	100%

GAUTAM N. ASSOCIATES AHMEDABAD

d) Reconciliation of the present value of defined benefit obligations and the fair value of plan assets

Particulars	Current Year	Previous Year
Present value of funded obligations as at the end of the year	0	0
Fair value of plan assets as at the end of the year	0	0
Funded (Assets)/liability recognized in the Balance Sheet as at the	0	0
Present value of unfunded (assets) / obligations as at the end of the	15,314,000	12,487,000
Unrecognized past service cost	0	0
Unrecognized actuarial (gain)/loss	0	
Unfunded net (Assets)/liability recognized in the Balance Sheet as	**15,314,000**	**12,487,000**

e) Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2015

Particulars	Current Year	Previous Year
Current Service Cost	1,233,668	1,436,526
Interest Cost	998,960	837,475
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	1,507,704	290,120
Past Service cost	0	0
Net Gratuity (income) / expense	**3,740,332**	**2,564,121**

f) Detail of Present value of obligation, Plan Assets and Experience Adjustments

Particulars	Current Year	Previous Year
Present value of obligation	15,314,000	12,487,000
Fair value of plan assets	-	-
(Surplus) / Deficit	15,314,000	12,487,000
Experience Adjustment	-	-
(Gain)/ Loss on plan liabilities	-	-
(Gain)/ Loss on plan assets	-	-

g) Expected contributions to Gratuity Fund next year Rs. NIL (Previous Year Rs. NIL)

h) The liability for leave encashment and compensated absences as at year end is Rs. 75,42,000 (Previous year liability Rs. 60,35,000)

NOTE NO – 39:

Related parties disclosure as per Accounting Standard - 18:

List of related parties

a) **Associates:-**
   i) Global Transgenes Ltd.
   ii) Agri Tech (India) Ltd.
   iii) Nath Biotechnologies Ltd.
   iv) Nath Royal Seed Ltd

b) **Relatives**
   i) Mr. Akash Kagliwal
   ii) Ms. Soniya Kagliwal

c) **Key Management Personnel:-**
   Mr. Satish Kagliwal (Managing Director)

d) Transactions carried out with related parties as referred to in (a) to (c) above, in the ordinary course of the business:

Amount in Rupees

Sr no	Name of party	Nature of transactions	Current year	Previous year
1	Global Transgenes Ltd.	Amount Paid	11,711,454	12,429,414
		Amount Received	5,696,026	223,512
		Transfer (debit to account)	361,572	689,772
		Transfer (credit to account)	43,956	72,811
2	Agri Tech (India) Ltd.	Transfer (debit to account)	1,426,552	72,467,729
		Transfer (credit to account)	100,000	181,461
		Amount Paid	14,613,225	22,331,398
		Amount Received	726,300	172,319,955
3	Nath Biotechnologies Ltd.	Transfer (debit to account)	38,609,072	2,792,470
		Amount Received	225,701	8,088,736
		Amount Paid	1,358,628	7,975,642
4	Nath Royal Seed Ltd	Purchases	27,019,791	89,632,556
		Reimbursement of expenses paid	60,517,279	25,638,365
		Production Incentive	1,159,300	542,232
5	Soniya Kagliwal	Consultancy charges paid	405,000	428,134
6	Akash Kagliwal	Rent paid	232,212	175,450

e) Out standing balances at the year end

Sr no	Name of party	as on 31.03.2015 Rs.	as on 31.03.2014 Rs
1	Global Transgenes Ltd.	10915037 Dr	4581993 Dr
2	Agri Tech (India) Ltd.	145165923 Dr	129952446 Dr
3	Nath Biotechnologies Ltd.	45315730 Dr	5573730 Dr
4	Nath Royal Seed Ltd	13976650 Cr	16370303 Cr

Notes:

1 Related party relationship is as identified by the Company and relied upon by the Auditors.

2 No amounts in respect of related parties have been written off/back during the year, nor have been provided for as doubtful debts.

GAUTAM N. ASSO... CHARTERED ACCOUNTANTS ... M. No. ... AURANGABAD

NOTE NO – 40 :

	Current Year Rs.	Previous Year Rs.
CIF value of Imports: Purchase of Win Chi Win & Vegetable Seeds	8588409	5832545
Expenditure in Foreign Currency: -		
Travelling Expenses	211047	522471
Professional Charges	0	968266
Membership Fee	603300	90272
Earning in Foreign Currency: F O B value of Exports	47658579	31071354

NOTE NO – 41 :

Difference in Foreign Exchange Gain (Loss) included in other income	561674	-490258

NOTE NO – 42:

Research & Development Expenditure comprises 20% of the following expenses under the various head allocated as deemed to be expedient by the management.

		Current Year Rs	Previous Year Rs
a	Payment to and provisions for employee		
	Salaries, wages and bonus	24728158	20749078
	Contribution to provident and other funds	1127244	1077980
	Staff Welfare Expenses	496355	507090
b	Other Seed Conditioning Expenses	14116304	10257534
c	Administration and Selling Expenses		
	Travelling and Conveyance	4631716	5180606
	Rates & Taxes	268558	167431
	Rent	3531127	2524656
	Miscellaneous Expenses	3797195	2654396
	Total	52696657	43118771

NOTE NO – 43 :

The net profit (loss) for the purpose of measurement of basic and diluted earnings per share in terms of Accounting Standard - 20 on Earnings Per Share issued by the Institute of Chartered Accountants of India has been calculated as under:

	Current Year Rs	Previous Year Rs.
Net Profit (loss) as per Profit & Loss Account	253974531	243040066
Less :- Dividend on Preference Shares	0	0
Numerator: Profit Available for equity share holders	253974531	243040066
Denominator: Number of Equity shares outstanding (nos)	16004000	16004000
Denominator for Diluted equity share holder	16004000	16004000
Basic Earnings per share is arrived at by dividing Numerator by Denominator	15.87	15.19
Diluted Earnings per share is arrived at by dividing Numerator for diluted equity share holder by Denominator	15.87	15.19
The nominal value per equity shares is Rupees	10	10

NOTE NO – 44 :

Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

Satish Kagliwal	Nandkishor Kagliwal	Laveena Chanchlani
Managing Director	Chairman	Company Secretary
DIN: 00119601	DIN:01691691	

Place : Aurangabad
Date : 30th May 2015

Nath Bio-Genes (India) Limited

Cash Flow Statement for the year Ended 31.03.2015

Particulars	For the year 2014-15 Rs	For the year 2013-14 Rs
A) CASH FLOW FROM OPERATING ACTIVITIES		
Nett Profit before Tax & Extra Ordinary items	263,528,801	255,128,559
Adjustment for :		
Depreciation	43,870,934	46,613,599
Provision for Gratuity	2,827,000	1,473,000
Provision for Leave encashment	1,507,000	465,000
Wealth Tax	-211,978	-137,251
Interest Paid / Financial Charges	45,919,648	37,609,077
Loss on sale of Fixed Assets	0	0
Provisoin (Reversal of Provision) for deferred tax	0	0
Provisoin (Reversal of Provision) for Bad Debts	1,246,708	-1,325,249
Profit on sale of Fixed Assets	-26,374	-117,471
Interest Income	-88,660	-60,033
Operating Profit before working capital changes	358,573,079	339,649,231
Adjustment for :		
(Increase) / Decrease in Trade Receivables	-98,307,605	-140,508,513
(Increase) / Decrease in Inventories	-284,665,448	-113,938,416
Increase / (Decrease) in Trade Payable	122,946,773	119,059,488
(Increase) / Decrease in Loans & Advances	-9,486,808	-102,991,210
Increase / (Decrease) in other current liabilities	-21,058,673	62,228,481
Cash Generated from operation before Tax & Extra Ordinary item	68,001,318	163,499,060
Income tax Paid	446,404	13,219,043
Net Cash Flow from Operating Activities - (A)	67,554,914	150,280,017

GAUTAM N. AS... AURANGABAD M. No. 32742

B) CASH FLOW FROM INVESTING ACTIVITIES		
Sale of fixed assets	223,066	996,401
Purchase of Fixed Assets	-7,060,991	-28,950,179
Interest Received	88,660	60,033
Purchase of non-current investment	-2,400	
Capital Advance given	-13,537,983	-132,047,940
Net Cash Flow from Investing Activities - (B)	**-20,289,648**	**-159,941,685**
C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid / Financial Charges	-45,919,648	-37,609,077
Increase / (Decrease) in Long term secured Loan	-6,111,552	3,098,630
Increase / (Decrease) in short term secured Loan	4,284,494	24,447,564
Increase / (Decrease) in short term unsecured Loan	-5,497,202	17,366,883
Payment of Deferred Sales Tax Liability	-435,145	-283,064
Nett Cash Flow From Financing Activities - (C)	**-53,679,053**	**7,020,935**
Nett increase/Decrease in cash & cash equivalent (A+B+C)	-6,413,787	-2,640,732
Opening Cash and Cash Equivalent	**22,135,185**	24,775,918
CLOSING CASH & CASH EQUIVALENT	**15,721,398**	**22,135,185**

The cash flow statement has been prepared as per the Indirect method prescribed in Accounting Standard - 3 "Cash Flow Statement"

For Gautam N Associates
FRN: 103117W
Chartered Accountants

For and on behalf of the Board of Directors

Gautam Nandawat
Partner
M No 32742

Satish Kagliwal
Managing Director
DIN: 00119601

Nandkishor Kagliwal
Chairman
DIN:01691691

Laveena Chanchalani
Company Secretary

Place : Aurangabad
Dated: 30th May 2015

GAUTAM N. ASSOCIATES
AURANGABAD

DECLARATION

Our Company certifies that all relevant provisions of Chapter VIII read with Schedule XVIII of the ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VIII and Schedule XVIII of the ICDR Regulations and that all approvals and permissions required to carry on our business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

Signed by

Sd/-

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Satish Kagliwal
Managing Director

Date: January 25, 2018
Place: Aurangabad

DECLARATION IN ACCORDANCE WITH PAS – 4

We the Board of Directors of the Company certify that:

(a) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(b) the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and

(c) the monies received under the offer shall be used only for the purposes and objects indicated in the Placement Document (which includes disclosures prescribed under Form PAS – 4).

Signed by

Sd/-

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Satish Kagliwal
Managing Director

I am authorized by the QIP Committee, a committee of the Board of Directors of our Company *vide* resolution dated January 08, 218 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by

Sd/-

____

Satish Kagliwal
Managing Director

Date: January 25, 2018
Place: Aurangabad

NAME OF THE ISSUER AND REGISTERED OFFICE

Nath Bio-Genes (India) Limited
Nath House, Nath Road
Aurangabad – 431 005
Maharashtra, India
Tel: +91 240 2376314 – 17
Fax: +91 240 2376188
Website: www.nathbiogenes.com; **Email:** investor@nathbiogenes.com
CIN: L01110MH1993PLC072842

ADDRESS OF THE COMPLIANCE OFFICER

Laveena Chanchlani
Company Secretary and Compliance Officer
Nath House, Nath Road
Aurangabad – 431 005
Maharashtra, India
Tel: +91 240 2376314-17
Fax: +91 240 2376188
Email: investor@nathbiogenes.com

BOOK RUNNING LEAD MANAGER

Prime Securities Limited
1109 / 1110, Maker Chambers V
Nariman Point
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Maharashtra, India
Telephone: +91– 22 –6184 2525
Fax: +91– 22 – 2497 0777
Email: projectgenesis@primesec.com

DOMESTIC LEGAL ADVISOR TO THE ISSUE	INTERNATIONAL LEGAL ADVISOR WITH RESPECT TO INTERNATIONAL SELLING AND TRANSFER RESTRICTIONS
M/s. Crawford Bayley & Co. State Bank Buildings, 4th Floor N.G.N. Vaidya Marg, Fort Mumbai 400 023 Maharashtra, India	**Squire Patton Boggs Singapore LLP** 10 Collyer Quay #03-01 / 03 Ocean Financial Centre Singapore 049315

STATUTORY AUDITOR OF OUR COMPANY

M/s. Ashok R. Majethia
Chartered Accountants
Utsav Complex , Office No.7 Bazar Peth,
Distt. Raigard, Khopoli – 410 203
Maharashtra, India
Firm Registration No. 127769W