



ARROW GREENTECH LIMITED

(CIN- L21010MH1992PLC069281)

Our Company was originally incorporated as “Arrow Coated Products Limited” as a public limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated October 30, 1992 issued by the Registrar of Companies, Mumbai, Maharashtra. Subsequently, pursuant to a special resolution of the shareholders dated 9th February, 2016, the name of our Company was changed to “Arrow Greentech Limited” pursuant to which a fresh certificate of incorporation consequent upon change of name dated 26th February, 2016 was issued by the Registrar of Companies, Mumbai, Maharashtra. For further details in relation to the changes to the name of our Company, please refer to the section titled “History and Other Corporate Matters” beginning on page 103 of this Letter of offer.

Registered Office: Solitaire Corporate Park Bldg No 3, 7th Floor, Unit No 372 Guru Hargovindji Marg Chakala, Andheri (East) Mumbai - 400093
Tel: +91-22-4074 9000;

Email: poonam@arrowgreentech.com; **Website:** www.arrowgreentech.com
Contact Person: Mrs. Poonam Bansal, Company Secretary & Compliance Officer

PROMOTERS OF OUR COMPANY: MR. SHILPAN PATEL
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF ARROW GREENTECH LIMITED ONLY



THE ISSUE		
<p>ISSUE OF 23,47,990 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH (“EQUITY SHARES”) OF ARROW GREENTECH LIMITED (“ARROW” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. 36 (INCLUDING SHARE PREMIUM OF RS. 26) PER EQUITY SHARE (“ISSUE PRICE”) FOR AN AGGREGATE AMOUNT NOT EXCEEDING RS. 845.28 LAKHS TO THE ELIGIBLE EQUITY SHAREHOLDERS ON RIGHTS BASIS IN THE RATIO OF 1 (ONE) EQUITY SHARE FOR EVERY 5 (FIVE) EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, I.E. THURSDAY, FEBRUARY 13, 2020 (THE “ISSUE”). THE ISSUE PRICE IS 3.6 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE SEE THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 281 OF THIS LETTER OF OFFER.</p>		
GENERAL RISK		
<p>Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the issue have not been recommended or approved by the Securities and Exchange Board of India, (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer. Investors are advised to refer to the section titled “Risk Factors” given on page 20 before making an investment in this Issue.</p>		
ISSUER’S ABSOLUTE RESPONSIBILITY		
<p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of offer contains all information with regard to our Company and the Issue, which is material in the context of this Issue; that the information contained in this Letter of offer is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held; and that there are no other facts, the omission of which makes this Letter of offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>		
LISTING		
<p>The existing Equity Shares of our Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). We have received “in-principle” approval from BSE and NSE for listing the Equity Shares to be allotted in the Issue vide their letter dated February 03, 2020 and February 03, 2020 respectively. For the purpose of this Issue, the Designated Stock Exchange is BSE.</p>		
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE	
 <p>NAVIGANT CORPORATE ADVISORS LIMITED 423, A Wing, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059 Tel No. +91-22-41204837 Email Id- navigant@navigantcorp.com Investor Grievance Email: info@navigantcorp.com Website: www.navigantcorp.com SEBI Registration Number: INM000012243 Contact Person: Mr. Sarthak Vijlani</p>	 <p>LINK INTIME INDIA PRIVATE LIMITED C-101, 1st Floor, 247 Park Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai – 400 083 Maharashtra, India Telephone: +91 22 4918 6200 Facsimile: +91 22 4918 6195 Email: arrowgreentech.rights@linkintime.co.in Website: www.linkintime.co.in Contact Person: Mr. Sumeet Deshpande SEBI Registration No: INR000004058</p>	
ISSUE PROGRAMME		
ISSUE OPENS ON	LAST DATE FOR REQUEST FOR SPLIT APPLICATION FORMS	ISSUE CLOSSES ON
FRIDAY, FEBRUARY 28, 2020	FRIDAY, MARCH 6, 2020	FRIDAY, MARCH 13, 2020

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

Definitions

In this Letter of Offer, unless the context otherwise requires, the terms defined and abbreviations expanded below shall have the same meaning as stated in this section. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Conventional and General Terms or Abbreviations

Term	Description
“`” / “Rs.” / “Rupees” / “INR”	Indian Rupees
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations
AS / Accounting Standard	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor’s Report) Order, 2016
CBIC	Central Board of Indirect Taxes and Customs
CDSL	Central Depository Services (India) Limited
Central Government	The Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identity Number
Companies Act	Companies Act, 2013, as amended from time to time
Companies Act, 1956	Companies Act, 1956 and the rules made thereunder, as the context requires
Companies Act, 2013	Companies Act, 2013 and the rules made thereunder
CTS	Cheque Truncation System
Depositories Act	The Depositories Act, 2018 as amended from time to time
DIN	Director Identification Number
DP	Depository Participant as defined under the Depositories Act
DP ID	Depository Participant’s Identity
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EPS	Earnings per Share
EGM	Extraordinary General Meeting
FCNR Account / FCNR	Foreign Currency Non Resident Account
FBIL	Financial Benchmarks India Private Limited
FDI	Foreign Direct Investment
FEMA Act / FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations promulgated there under and any amendments thereto.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2017 as amended from time to time

Term	Description
Fiscal /Fiscal Year/ Financial Year/FY	12 month period commencing from April 1 and ending on March 31 of the immediately succeeding year.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FPI	Foreign Portfolio Investor
FVCIs	Foreign venture capital investors as defined in and registered with SEBI under the SEBI FVCI Regulations.
GCP	General Corporate Purpose
Government/Gol	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
IBS	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IFRS	International Financing Reporting Standards
Ind AS	Indian Accounting Standards
Indian GAAP	Generally accepted accounting principles followed in India.
Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time
ISIN	International Securities Identification Number
ISRO	Indian Space Research Organisation
I.T. Act / IT Act	Income Tax Act, 1961
I. T. Rules	Income Tax Rules, 1962, as amended from time to time.
KMP	Key Managerial Personnel
Lakh	One hundred thousand
LM	Lead Manager
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
NACH	National Automated Clearing House which is a consolidated system of ECS.
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer
N.A.	Not Applicable
NI Act	Negotiable Instruments Act, 1881
NR	Non Resident
NRE	Non Resident External Account
NRI	Non Resident Indian
NSDL	National Securities Depositories Limited
NSE	National Stock Exchange of India Limited

Term	Description
OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Deposit) Regulations, 2000 and which was in existence on the date of the commencement of Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's)) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the regulations.
p.a.	Per Annum
PAN	Permanent Account Number
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
SCORES	SEBI Complaints Redress System
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations /	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Listing Regulations / Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure
SEBI Takeover Regulations / SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
U.S/United States	The United States of America
USD / US\$	United States Dollars
US Securities Act	The United States Securities Act of 1933, as amended from time to time
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be

Issue Related Terms

Term	Description
Abridged Letter of Offer	The Abridged letter of offer to be sent to the Eligible Equity Shareholders as on the Record Date with respect to the Issue in accordance with the SEBI ICDR Regulations and the Companies Act.
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allotment / Allot / Allotted / Allotment of Rights Equity Shares	The allotment of Rights Equity Shares pursuant to the Issue.
Allotment Advice	The note or advice or intimation of Allotment sent to the Investors, who have been or are to be allotted the Rights Equity Shares after the basis of Allotment has been approved by the BSE.
Allotment Date	The date on which Allotment is made.
Allottee(s)	Persons to whom Rights Equity Shares of our Company are allotted pursuant to this Issue.
Applicant(s) / Investors	Eligible Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount / ASBA	The application (whether physical or electronic) used by Investors to make an application authorizing the SCSB to block the amount payable on application in their specified bank account maintained with SCSB.
ASBA Account	An account maintained with an SCSB and specified in the CAF or plain paper application, as the case may be by the Applicant for blocking the amount mentioned in the CAF or in the plain paper application.
ASBA Applicant / ASBA Investor(s)	Eligible Equity Shareholders proposing to subscribe to the Issue through ASBA process and who: <ol style="list-style-type: none"> 1. are holding the Equity Shares of our Company in dematerialised form as on the Record Date and has applied towards their Rights Entitlements and/or Additional Rights Equity Shares in dematerialised form; 2. have not renounced their Rights Entitlements in full or in part; 3. are not Renouncees; and 4. must apply through blocking of funds in bank accounts maintained with SCSBs.
Bankers to the Company	Kotak Mahindra Bank, Bank of Baroda
Bankers to the Issue / Escrow Collection Bank	HDFC Bank Limited, FIG-OPS Department, Lodha I, Think Techno Campus, Level O-3, Opp. Crompton Greaves, Next to Kanjurmarg Railway Station, Kanjurmarg (E), Mumbai-400042.
Composite Application Form / CAF	The application form used by an Investor to make an application for the Allotment of Rights Equity Shares in the Issue.
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmlId=34

Term	Description
Designated Branches	Such branches of the SCSBs which shall collect application forms used by ASBA Investors and a list of which is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=34
Designated Stock Exchange	BSE Limited
Depository	A depository registered with SEBI under the SEBI (Depository and Participant) Regulations, 2018, as amended from time to time, read with the Depositories Act, 2018.
Draft Letter of Offer / DLOF	This draft letter of offer dated January 11, 2020
ECS	Electronic Clearing Service
Equity Shareholder(s)/ Shareholder(s)	The holders of Equity Shares of our Company.
Eligible Equity Shareholders / Eligible Shareholders/	Holders of Equity Shares of our Company as on the Record Date, i.e. Thursday, February 13, 2020.
General Corporate Purposes	General corporate purposes shall have the meaning as determined in Regulation 2(1)(r) of the SEBI ICDR Regulations.
GIR	General Index Registrar
Investor(s)	The Equity Shareholders of our Company on the Record Date i.e. Thursday, February 13, 2020 and the Renouncee(s).
Issue / the Issue / this Issue / Rights Issue	Issue of 23,47,990 Equity Shares with a face value of Rs. 10 each for cash at a price of Rs. 36 (including a share premium of Rs. 26 per Equity Share) aggregating up to Rs. 845.28 Lakh on a rights basis to Eligible Shareholders in the ratio of 1 (one) Rights Equity Share for every 5 (five) fully paid-up Equity Shares held on the Record Date i.e. Thursday, February 13, 2020.
Issue Closing Date	Friday, February 28, 2020
Issue Opening Date	Friday, March 13, 2020
Issue Price	Rs. 36 per Equity Share
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	The issue of 23,47,990 Rights Equity Shares for an amount aggregating up to Rs. 845.28 Lakh.
Lead Manager	Navigant Corporate Advisors Limited
Letter of Offer / LOF	The final letter of offer to be issued by our Company in connection with the Issue.
Listing Agreement	Uniform listing agreement entered into under the Listing Regulations between our Company and the Stock Exchange.
MICR	Magnetic Ink Character Recognition
NAV	Net Asset Value calculated as Net Worth divided by number of fully paid-up Equity Shares.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 90 of this Letter of Offer.
Net Worth	Net worth as defined under Section 2(57) of the Companies Act.
Non - ASBA investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process.

Term	Description
Non Institutional Investor(s)	Investor, including any company or body corporate, other than a Retail Individual Investor and a QIB.
Offer Document	The Letter of Offer, Abridged Letter of Offer including any notices, corrigenda thereto.
QIBs / Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	A record date fixed by our Company for the purposes of determining the names of the Equity Shareholders who are eligible for the issue of Rights Equity Shares i.e. Thursday, February 13, 2020.
Refund Bank	HDFC Bank Limited, FIG-OPS Department, Lodha I, Think Techno Campus, Level O-3, Opp. Crompton Greaves, Next to Kanjurmarg Railway Station, kanjurmarg (E), Mumbai-400042
Refund through electronic transfer of funds	Refunds through NACH, Direct Credit, RTGS, NEFT or ASBA process, as applicable.
Registered Foreign Portfolio Investors / Foreign Portfolio Investors / Registered FPIs / FPIs	Foreign portfolio investors as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Registrar to the Issue / Registrar and Transfer Agent / RTA	Link Intime (India) Private Limited
Renouncee(s)	Person(s) who has / have acquired Rights Entitlements from the Eligible Equity Shareholders.
Retail Individual Investor(s)	Individual Investors who have applied for Rights Equity Shares for an amount less than or equal to Rs. 200,000 (including HUFs applying through their karta).
Rights Entitlements (Res)	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by such Eligible
Rights Equity Shares / Rights Shares	The equity shares of face value Rs. 10 each of our Company offered and to be issued and allotted pursuant to the Issue.
Self-Certified Syndicate Bank / SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, and offer the facility of ASBA, including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=34
Split Application Form/ SAF	Split application form(s) is an application form used in case of renunciation in part by an Eligible Equity Shareholder in favour of one or more Renouncee(s).
Stock Exchange/ Stock Exchange(s)	NSE & BSE, where the Equity Shares of our Company are presently listed.
Willful Defaulter	Willful Defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Days	Working Days as defined under Regulation 2(1)(mmm) of the SEBI ICDR Regulations.

Company Related Terms

Terms	Description
“Arrow Greentech Limited” or “the Company” or “our Company” or “we” or “us” or “our” or “the Issuer”	Arrow Greentech Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Solitaire Corporate Park, Bldg No 3, 7th Floor, Unit No 372, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai - 400093.
Articles of Association	The Articles of Association of our Company as amended from time to time.
Auditors / Statutory Auditors	The Statutory Auditors of our Company being M/s. Haribhakti & Co LLP, Chartered Accountant
Board / Board of Directors / our Board	The Board of Directors of our Company or a duly constituted committee thereof, as the context may refer to.
Director(s)	Any or all the director(s) of our Board, as may be appointed from time to time.
Equity Shares / Shares	Equity Shares of face value of Rs. 10 each of our Company.
GIS	A geographic information system is a computer system for capturing, storing, checking, and displaying data related to positions on Earth's surface. GIS can show many different kinds of data on one map. This enables people to more easily see, analyze, and understand patterns and relationships.
Internal Auditors	M/s. J.A. Rajani & Co, Chartered Accountants.
Key Managerial Personnel / KMP	Mr. Shilpan Patel, Managing Director, Mr. Neil Patel, Joint Managing Director, Mr. Hitesh Punglia, Chief Financial Officer and Mrs. Poonam Bansal, Company Secretary and Compliance Officer, collectively referred as Key Managerial Personnel of the Company.
Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Promoter	M/s. Shilpan P Patel HUF, Mr. Jigisha S Patel, Mr. Shilpan Patel, Mr. Neil S Patel, Mr. Rishil S Patel and M/s Arrow Convertors Private Limited
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed by our Company in the filings made with the Stock Exchange under the SEBI Listing Regulations.
Registered Office	Registered office of our Company situated at Solitaire Corporate Park, Bldg No 3, 7th Floor, Unit No 372, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai - 400093.
Registrar of Companies / ROC	Registrar of Companies Maharashtra, 100, Everest, Marine Drive, Mumbai - 400 002.
Subsidiary / Subsidiary Company / our Subsidiary	M/s. Arrow Secure Technology Private Limited, M/s. Avery Pharmaceuticals Private Limited, M/s. LQ Arrow Security Products (India) Private Limited, M/s. Arrow Green Technologies (UK) Limited and M/s. Advance IP Technologies Limited.

Business and Industry related Terms / Abbreviations

Term	Description
ACT	Anti Counterfeit Thread
ABS	Acrylonitrile Butadiene Styrene

Term	Description
AHU	Air Handling Unit
ESOP	Employee Stock Option Scheme
HDPE	High Density Polyethylene
LDPE	Low Density Polyethylene
MDS	Mouth Dissolving Strips
PE	Polyethylene
PET	Polyethylene Terephthalate
PP	Polypropylene
PS	Polystyrene
PU	Polyurethane
PVC	Poly Vinyl Chloride
SAN	Styrene Acrylonitrile
SPM	Sphere S.A. Paris
WSF	Water Soluble Films
NDDS	New Drug Delivery System
IPR	Intellectual Property Rights
ACT	Anti-counterfeit Thread
CTE	Certificate to Establish
CTO	Certificate to Operate

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

NOTICE TO OVERSEAS SHAREHOLDERS

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

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlement or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, Abridged Letter of Offer and CAFs may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, Abridged Letter of Offer and CAFs will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Letter of Offer, Abridged Letter of Offer and CAFs must be treated as sent for information only and should not be copied, redistributed or acted upon. Accordingly, persons receiving a copy of this Letter of Offer, Abridged Letter of Offer and CAFs should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations. If this Letter of Offer, Abridged Letter of Offer and/or CAFs is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in this Letter of Offer, Abridged Letter of Offer and CAFs. Envelopes containing a CAF should not be dispatched to any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address. Any person who makes an application to acquire Rights Entitlement and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that he is authorised to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Neither the delivery of this Letter of Offer, Abridged Letter of Offer and CAFs nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or date of such information.

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

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended (“**Securities Act**”), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (“**United States**” or “**U.S.**”) or to, or for the account or benefit

of, “U.S. persons” (as defined in Regulation S under the Securities Act (“**Regulation S**”), except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements referred to in this Letter of Offer are being offered in India, but not in the United States. The offering to which this Letter of Offer and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this Letter of Offer / Abridged Letter of Offer and the CAF should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. Envelopes containing CAF should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer, no payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India. Our Company is making this issue of Equity Shares on a rights basis to the Eligible Equity Shareholders of our Company and this Letter of Offer, Abridged Letter of Offer and CAF will be dispatched to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlement and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that, at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made, (ii) it does not have a registered address (and is not otherwise located) in the United States, and (iii) it is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any CAF which: (i) does not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to our Company or its agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND CURRENCY OF PRESENTATION

Certain Conventions

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

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

Financial Data

Unless stated otherwise, financial information and data in this Letter of Offer, with respect to our Company, is derived from our audited standalone and consolidated financial statements for the FY ended on March 31, 2019 and limited reviewed unaudited standalone and consolidated financial results for the Six months ended on September 30, 2019, which have been prepared by our Company in accordance with Ind AS, Companies Act, and other applicable statutory and / or regulatory requirements ("Financial Statements"). We publish our financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited. For further details please see the chapter titled "Financial Statements" beginning on page 115 of this Letter of Offer.

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

All numerical values as set out in this Letter of Offer for the sake of consistency and convenience have been rounded off to two decimal places. In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Currency of Presentation

- All references to 'INR', '₹', 'Indian Rupees', 'Rs.' and 'Rupees' are to the legal currency of India.
- Any reference to 'US\$', 'USD', '\$' and 'U.S. dollars' are to the legal currency of the United States of America.

Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in Rupees in Lakh.

Exchange Rate

The following tables provide information with respect to the exchange rate for the Indian rupee per unit of a foreign currency. The exchange rates are based on the reference rates released by the Reserve Bank of India or Financial Benchmarks India Private Limited, as the case may be. No representation is made that any rupee amounts could have been, or could be, converted into such foreign currency at any particular rate, the rates stated below, or at all.

(Rs. per unit of Foreign Currency)

Sr. No.	Name of Currency	As on February 11, 2020	As on September 30, 2019 ⁽¹⁾	As on March 31, 2019	As on March 31, 2018 ⁽¹⁾	As on March 31, 2017 ⁽¹⁾
1	U.S. Dollar	71.2775	70.9225	69.5509	65.0441	64.8386

Source: <https://www.poundsterlinglive.com/best-exchange-rates/us-dollar-to-indian-rupee-exchange-rate-on-2020-02-11>

FORWARD LOOKING STATEMENTS

Our Company has included statements in this Letter of Offer which contain words or phrases such as ‘anticipate’, ‘believe’, ‘continue’, ‘can’, ‘could’, ‘estimate’, ‘expect’, ‘expected to’, ‘future’, ‘intend’, ‘is likely’, ‘may’, ‘objective’, ‘plan’, ‘potential’, ‘project’, ‘pursue’, ‘shall’, ‘should’, ‘will’, ‘will continue’, ‘would’, or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward looking statements. However, these are not the exclusive means of identifying forward looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

Forward-looking statements contained in this Letter of Offer (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 the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results to differ materially from our Company’s expectations include, among others:

- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various business plans;
- The performance of the market in India and globally;
- Any failure or disruption of our information technology system;
- Any adverse outcome in the legal proceedings in which the Company is involved;
- Increasing competition in or other factors affecting the industry segments in which our Company operates;
- Changes in laws and regulations relating to the industries in which we operate;
- Fluctuations in operating costs and impact on the financial results;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India or in other countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices; and
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the section titled “Risk Factors” beginning on page 20 of this Letter of Offer. By their very nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact or net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections.

Whilst we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we 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. In any event, these statements speak only as of the date of this Letter of Offer or the respective dates indicated in this Letter of Offer, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward- looking

statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI / Stock Exchange requirements, our Company and Lead Manager will ensure that Investors are informed of material developments until the time of the grant of listing and trading permission for the Rights Equity Shares by the Stock Exchange.

SECTION II - SUMMARY OF LETTER OF OFFER

1. Primary Business of our Company

Our Company is a dealer, manufacturer and exporter of Biodegradable Water Soluble Films. Our Company has also ventured into the manufacturing and marketing of Pharmaceutical products, Bio Compostable Resins and security products through its subsidiary and joint venture companies. Company' registered office is in Mumbai and other offices at Ankleshwar, Ahmedabad and Scunthorpe, United Kingdom. We are also in the business of Intellectual Property Rights (IPR).

2. Object of the Issue

Our Company intends to utilize the Net Proceeds for the following object:

(Amount in Lakhs)

S. No.	Particulars	Amounts	% of gross proceeds	% of Net proceeds
1.	To part finance the acquisition of ancillary residual ancillary machinery and equipment for the manufacturing facility of ACT (Anti Counterfeit Thread) in its Ankleshwar Plant.	100.00	11.83	12.22
2.	To Fund/provide loan to Wholly owned subsidiary Company, namely, Avery Pharmaceuticals Pvt Ltd, to part finance the manufacturing facility Sanand, Ahmedabad.	300.00	35.49	36.66
3.	To part finance incremental Working Capital of the Company.	250.00	29.58	30.55
4.	To meet General corporate purposes.	168.28	19.91	20.56
5.	To meet the expenses of the Issue.	27.00	3.19	3.30
	Total	845.28	100.00	-

3. Intention and extent of participation by the Promoter and Promoter Group

The Promoter and members of the Promoter Group of our Company have, *vide* their letters dated January 09, 2020 ("Subscription Letters") indicated their intention to subscribe, jointly and / or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement renounced in their favour by any other Promoter(s) or member(s) of the Promoter Group of our Company.

For further details, please see the chapter titled "*Capital Structure*" beginning on page 55 of this Letter of Offer.

4. Financial Summary

The following table depicts the summary of the financial information derived from the audited standalone and consolidated financial statements of the Company for the preceding Six financial years

and the unaudited limited reviewed financial results of the Company for the Six months ended September 30, 2019:

Standalone

(Rs. in Lakhs except EPS and NAV per share)

Sr. No.	Particulars	For the period Ended on September 30, 2019	For the year ended on		
			March 31, 2019	March 31, 2018	March 31, 2017
		Ind AS	Ind AS	Ind AS	I-GAAP
1.	Share Capital	1,173.99	1,173.99	1,173.99	1,173.99
2.	Net worth	4,794.44	4,786.56	5,004.22	4,149.60
3.	Revenue from operations	1,461.09	4,340.00	3,888.27	3,372.65
4.	Profit After Tax	83.06	19.01	1,514.73	1,379.52
5.	Earnings Per Share - Basic (Rs.)*	0.71	0.16	12.90	11.75
6.	Earnings Per Share - Diluted (Rs.)*	0.71	0.16	12.90	11.75
7.	NAV per Equity Shares	40.84	40.77	42.63	35.35
8.	Total Borrowings	439.69	-	-	-

* Not annualized

Consolidated

(Rs. in Lakhs except EPS and NAV per share)

Sr. No.	Particulars	For the period Ended on September 30, 2019	For the year ended on		
			March 31, 2019	March 31, 2018	March 31, 2017
		Ind AS	Ind AS	Ind AS	I-GAAP
1.	Share Capital	1,173.99	1,173.99	1,173.99	1,173.99
2.	Net worth	7,074.34	7,785.82	9,765.39	9734.04
3.	Revenue from operations	1,021.74	3,429.22	3,472.74	5332.22
4.	Profit After Tax	(509.70)	(1,686.63)	17.15	3,463.99
5.	Earnings Per Share - Basic (Rs.)*	(4.25)	(14.21)	0.23	29.05
6.	Earnings Per Share - Diluted (Rs.)*	(4.25)	(14.21)	0.23	29.05
7.	NAV per Equity Shares	60.26	66.32	83.18	82.91
8.	Total Borrowings	439.70	3.69	5.07	4.44

* Not annualized

5. Auditor Qualifications

There are no qualifications, reservations and adverse remarks made by our Statutory Auditors in their report which requires any adjustment to audited standalone and consolidated financial statements of the Company for the financial year 2018-19, 2017-18 and 2016-17.

6. Summary of outstanding litigations

S.No.	Outstanding Litigations	Amount (in Lakhs)
1.	Pending Litigations involving our Company, our directors, our promoters and associate Company	222.14
2.	Pending Dues to Revenue Departments	1.56
3.	Pending litigation with Revenue Departments	836.60

For further details, please see chapter titled “Outstanding Litigations and Other Defaults” beginning on page 262 of this Letter of Offer.

7. Risk Factors

For details of the risks associated with our Company, ongoing business activities, objects of the Issue and material litigations which may impact our business, please see the section titled “Risk Factors” beginning on page 20 of this Letter of Offer.

8. Contingent liabilities

As on September 30, 2019, there are no contingent liabilities of our Company except the following

S.No.	Particulars	Amount in Rs. Lakhs	
		On Standalone Basis	On Consolidated Basis
1.	Sales Tax Matters not acknowledged as debts (amount paid under protest Rs. 3.49 (in Lakhs))	226.68	226.68
2.	Income tax matters not acknowledged as debts (amount paid under protest Rs. 13.04 (in Lakhs))	623.21	623.21
3.	Bank Guarantee Given	82.47	82.47

9. Related party transactions

For details of related party transactions for the financial year 2018-19, please see the section titled “Financial Information” beginning on page 115 of this Letter of Offer.

10. Financing Arrangements

There has been no financing arrangement whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 (six) months immediately preceding the date of this Letter of Offer.

11. Issue of Equity Shares for consideration other than cash in last one year

Our Company has not issued any Equity Shares for consideration other than cash during the last one year immediately preceding the date of this Letter of Offer.

12. Split / Consolidation

No Split or Consolidation was happened during the last one year.

SECTION III - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. Additionally, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. If any or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. In making an investment decision, prospective investors must rely on their own examinations and the terms of the Issue, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue.

For further details, please refer the section titled “Financial Information” beginning on page 115 of this Letter of Offer, as well as the other financial and statistical information contained in this Letter of Offer.

This Letter of Offer also contains forward-looking statements which involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. For further details, see chapter titled “Forward-Looking Statements” beginning on page 14 of this Letter of Offer.

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Financial Statements.

MATERIALITY

The Risk Factors contained herein have been determined on the basis of their materiality. The following factors have been considered for determining the materiality:

- 1. Some events may not be material individually but may be found material collectively.*
- 2. Some risks may have an impact which is qualitative though not quantitative.*
- 3. Some risks may not be material at the time of making the disclosures in this Letter of Offer but may have a material impact in the future.*

INTERNAL RISK FACTORS

- 1. Our Company is a party to certain litigations, the outcome of which could adversely affect our business operations and financial condition.*

Our Company is party to certain legal proceedings and claims in relation to certain civil, and tax matters incidental to our business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. A summary of such proceedings is set forth below.

Cases Pending Against our Company:

Category	Type of Cases	Number of Cases	Financial Implications to the extent quantifiable (Rs. in Lakhs)
Civil Case	Commercial Suit	1	Not Assessable as on date

Cases filed by our Company and associate Company:

Category	Type of Cases	Number of Cases	Financial Implications to the extent quantifiable (Rs. in Lakhs)
Civil Case	Commercial Suit	3	222.14

Litigation involving Tax Liabilities:

Category	Type of Cases	Number of Cases	Financial Implications to the extent quantifiable (Rs. in Lakhs)
Maharashtra Value Added Tax Act, 2002; Central Sales Tax Act, 1956; and Income Tax Act, 1961	The litigation on account of dues outstanding with respect to, income tax, sales tax and value added tax.	8 (Eight)	836.60

For further details, please see chapter titled “Outstanding Litigations and Other Defaults” beginning on page 262 of this Letter of Offer.

2. Some of the Properties are not owned are not owned by our Company and our subsidiary Company.

Our Company and one of the subsidiary Companies are operating from various offices and operating as Registered office / other officers and some of them as detailed below have been taken on lease:

S.No.	Details of the Property	Nature of Occupancy	Uses
Arrow Greentech Limited			
1.	Solitaire Corporate Park, Building No. 3, 7th Floor, Unit No. 372, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai 400 093	Lease from 15 th October, 2015 to 14 th October, 2020	Registered Office
2.	1F Laxmi Ind. Estate, New Link Road, Andheri (West), Mumbai 400053	Lease from 1 st January, 2017 to 31 st December, 2021	R&D and IP incubation Centre

S.No.	Details of the Property	Nature of Occupancy	Uses
3.	159, Sanjay Building, 5B-Mittal Industrial Estate, Andheri (East), Mumbai - 400 059	Lease from 1 st May, 2019 to 30 th April, 2022	Branch Office
4.	Aishwarya Co-Op Housing (Service) Society Ltd. Plot No. 1207, B-18, Nr National School, GIDC, Ankleshwar, Gujarat - 393002	Lease from 1 st October, 2017 to 30 th September, 2020	Guest House
5.	Abhilasha Co-Op Housing (Service) Society Ltd. Plot No. 808, C-45, Nr National School, GIDC, Ankleshwar, Gujarat - 393002	Lease from 1st October 2017 to 30 th September, 2020	Guest House
6.	Abhilasha Co-Op Housing (Service) Society Ltd. Plot No. 808, C-46, Nr National School, GIDC, Ankleshwar, Gujarat - 393002	Lease from 1st October 2017 to 30 th September, 2020	Guest House
7.	Plot No. 5310, GIDC, Ankleshwar, Gujarat - 393002	Lease for 99 (ninety years) from 17 th November, 1995	Factory
8.	Plot No. 5311, GIDC, Ankleshwar, Gujarat - 393002	Lease for 99 (ninety years) from 6 th September, 2005	
Avery Phramaceuticals Pvt Ltd			
1.	Plnt no. 12,13 & 14 Shubha Laxmi Indl. Estate, Opp Eye Hospital, Viramgam Highway, Sanand, Ahmedabad - 382213	Lease from 14 th May, 2018 to 13 th May, 2028	Factory

Any discontinuance of agreement to use the office will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

3. Our Company has applied for various trademarks for our business purpose which is under the process of registration. If we fail to obtain trademark registration, our products branding efforts may be hampered which might lead to adverse effect on our business.

We have made applications for registration of various trademarks under the Trademarks Act, 1999 and are in the process of getting the same registered. If our Company is unable to obtain registration of those trademarks, it may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks and in future could have a material adverse effect on our business, which in turn could adversely affect our results of operations.

For further details please refer to section titled Government & Other Approvals on page 268 of this Letter of offer.

4. We have experienced negative cash flows and any negative cash flows in the future could adversely affect our financial conditions and results of operations.

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

(Amount in Lakhs)

Particulars	30.09.20 19	31.03.20 19	31.03.20 18	31.03.20 17	31.03.20 16	31.03.20 15
Net Cash flow from Operative activities	25.29	(1,408.94)	341.41	1,335.32	720.41	955.73
Net Cash Flow from investing activities	(87.80)	1,871.73	54.67	(1,332.43)	288.07	(1,066.00)
Net Cash Flow from Financing activities	(58.70)	(234.79)	(644.27)	(211.95)	(712.11)	(184.34)
Net Cash Flow for the Year	(121.21)	228.00	(248.20)	(209.06)	296.33	(294.62)

On Consolidated basis

(Amount in Lakhs)

Particulars	30.09.20 19	31.03.201 9	31.03.201 8	31.03.20 17	31.03.20 16	31.03.20 15
Net Cash flow from Operative activities	(308.23)	(1,622.68)	501.98	1,672.31	2733.94	2,601.89
Net Cash Flow from investing activities	(102.95)	746.38	(1,254.79)	(1,236.66)	(606.40)	(1,103.81)
Net Cash Flow from Financing activities	(58.41)	(258.78)	(616.34)	(211.95)	(712.11)	(383.33)
Net Cash Flow for the Year	(469.59)	(1,135.06)	(1,369.14)	223.70	1,415.43	1,114.75

5. We are subject to risks arising from exchange rate fluctuations, which could adversely affect the financial results of our Company.

Uncertainties in the global financial markets may have an adverse impact on the exchange rate between INR and other currencies. The exchange rate between INR and other currencies are variable and may continue to remain volatile in the future depending upon the foreign exchange reserve position of India. Fluctuations in the exchange rates may have a serious impact on the revenues from our export business as a significant portion of our revenue comes from exports. Any appreciation of the INR against other currencies may lead to reduction in the realization of our revenues. Accordingly, volatility in the exchange rate would adversely affect the financial results of our Company.

6. Our manufacturing operations are critical to our business and any shutdown, Fire at our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.

Our Company processes depend on our ability to successfully manufacture and deliver our products to meet our customer demand. Our manufacturing facility is also susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. It is also subject to operating risk arising from compliance with the directives of relevant government authorities. In past,

There has been recent instance where in one of our manufacturing unit situated at 5311-GIDC, Ankleshwar-393002 on Wednesday, October 30, 2019 met with a fire situation. Certain assets and goods at plant caught into fire. However, Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties.

If our Company experience delays in recommencing production or shutdowns at our facility due to any reason, including disruptions caused by any reason, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

7. Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at any of our manufacturing facilities may adversely affect our production schedules, costs, sales and ability to meet customer demand.

Our business operations are subject to hazards such as risk of equipment failure, work accidents, fire or explosion and require individuals to work under potentially dangerous circumstances or with flammable materials. Although we employ high degree of safety procedures in the operation of our facilities and maintain what we believe to be adequate insurance, there is a risk that an accident or death may occur in one of our facilities. An accident may result in destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

Usually, if operations at our manufacturing facility were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labour dispute, obsolescence or other reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations, cash flows and prospects.

8. We face the risk of discontinuance of any of the long term supply and technology tie-ups currently operative.

The Industry segment we operate in is extremely high technology sensitive and requires a solid foundation in technological and supply support. Our company has various existing

partnerships and supply tie-ups for the continuous development and execution of our manufacturing and other allied activities with companies like Trace Tag (U.K.), Proquimia (Spain), Biotec (Germany), Landquart (Switzerland). Any of the above mentioned tie-ups could discontinue their support with us as per the terms and conditions set up with them and hence we may face the risk of having to look for another partner for the same utility and this may affect our profitability and results of operations.

9. *Our Promoter Group Company M/s. Arrow Convertors Private Ltd. is involved in business of Bio degradable Films and other such similar activities as our Company and this may lead to a potential conflict of interest.*

Our Promoter Group Company M/s. Arrow Convertors Pvt. Ltd. is involved in the business of Bio-degradable films. Even though its current business is not directly conflicting with ours, since there is no formal non-compete agreement between us and Arrow Convertors Pvt. Ltd, we cannot be assured that in future they would not expand their business in similar line of business as our Company. Hence to this extent there exists a potential conflict between us in future and this could impact our business operations and profitability in the future.

10. *We may not be able to protect our intellectual property right.*

One of the strengths of the company is the Patents granted to our Company, but unauthorized third parties may try to infringe our patents/technology licenses etc. though our Company shall take reasonable steps to insulate itself to protect our proprietary technology against unauthorized copying or use, may adversely affect our business and market competitiveness. Infringement of patent rights and other intellectual property rights will not only hamper the business but also result in increased costs due to litigation and higher legal expenses.

11. *We are heavily dependent upon the growth prospects of the industries, which consume our products. Any slowdown in the rate of growth of these industries would seriously impact our own growth prospects and may result in decline in profits.*

We supply Water Soluble Films, which are used as packaging material by Agrochemical, Pharmaceuticals, Embroidery and health & hygiene Industries. The demand for them will ultimately be from industries or end users, which in turn also depends on national and global economic conditions. Any lack of demand, or slowdown in these industries could have an adverse impact on our business and financial performance.

12. *We may not be able to correctly assess the demand for our products, which may adversely affect our business, prospects, results of operations and financial condition.*

Our production and distribution processes require us to anticipate the demand for our products based on the feedback received from our own marketing personnel as well as our Customers. An accurate assessment of market demand requires significant investment in the creation of a sales and marketing network and training of marketing personnel whereas our Company is relying on the exiting set of cliental on overseas market. There is no guarantee that our estimate of market demand in India or in foreign countries will be accurate. In the event that we overestimate the demand for our products, we will have expended resources in manufacturing excess products, taxes on manufacture, insurance costs, storage and warehousing and other allied expenditures. In the event that we underestimate the market demand, we will have lost out on sales opportunities that our competitors will capitalise on and thereby increase their respective market shares. Any incorrect assessment of the demand for our products may adversely affect our business, prospects, results of operations and financial condition. We are susceptible to volatility of prices of our products, including due to competitive products.

Prices of our products are subject to fluctuation, depending on, among other factors, the number of producers and their production volumes and changes in demand in the markets we serve. Volatility in price realization and loss of customers may adversely affect our profitability. Further, there is no assurance that we will be able to maintain our low cost of operations or to further reduce costs or develop new cost effective processes in the future.

13. Our Company’s failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.

The demand for our products depends on quality that we market. Any failure of ours to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customer’s quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

14. Our Company has entered into transactions with related party and may continue to do so in the future, which may potentially involve conflicts of interests with the Equity Shareholders.

Our Company has entered into transactions with certain of its related parties. For details of related party transactions of our Company, as per the requirements under Ind AS 24 ‘Related Party Disclosures’ for FY ending March 31, 2019 please see “Financial Statements” on page 115 of this Letter of Offer’ While our Company believes that all such transactions have been conducted on the arm’s length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Further, it is likely that our Company 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.

15. We have certain contingent liabilities and commitments, which may adversely affect our financial condition.

The following table sets forth certain information relating to our contingent liabilities and commitments not provided for:

		Amount in Rs. Lakhs	
S.No.	Particulars	On Standalone Basis	On Consolidated Basis
1.	Sales Tax Matters not acknowledged as debts (amount paid under protest Rs. 3.49 (in Lakhs)	226.68	226.68
2.	Income tax matters not acknowledged as debts (amount paid under protest Rs. 13.04 (in Lakhs)	623.21	623.21
3.	Bank Guarantee Given	82.47	82.47

In the event that any of these contingent liabilities materialize, our business prospects, financial condition and results of operations may be adversely affected.

16. Our Company is subject to risks arising from payment of Interest and Principle amount of borrowing, which could adversely affect the financial results of our Company.

As on September 30, 2019, our Company has outstanding long term borrowing of Rs. 439.69 Lakhs (including current maturity amount). Any delay or non-payment of Interest and principle amount of borrowed money could lead to adverse action against the Company and thus, it may adversely affect the financial results of our Company.

17. The indebtedness and the conditions imposed by the financing arrangements entered into by our Company could adversely affect our business, prospects, results of operations and financial condition.

Some of the financing agreements entered into by our Company with our lenders contain certain covenants w.r.t. payments & others. There can be no assurance that our Company will be able to comply with the covenants contained in the financing agreements.

Any non adherence one or more conditions may lead to adverse action against such financial arrangement and thus could have an adverse effect on our business, prospects, results of operations and financial condition.

18. Our Company may be subject to industrial unrest, slowdowns and increased labour costs.

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 certain financial obligations on employers during employment and upon retrenchment. Under Indian law, workers also have a right to establish trade unions. Although the Company has not experienced any labour unrest, we cannot assure you that there will be no labour unrest in the future.

As at September 30, 2019, our Company had approximately 184 (one hundred eighty four) full-time employees. While our Company believes that it maintains good relationships with the employees and contractors, there can be no assurance that we will not experience disruptions to our operations in the future due to disputes or issues with our contractors or employees. In the event there are any unrest with labour unions and conflicts with the same, or if our Company experiences unrest or slowdowns, it may become difficult for our Company to maintain flexible labour policies, all of which may materially and adversely impact our business, prospects, results of operations and financial condition.

19. Our operations are subject to environmental, workers' health and safety and employee laws and regulations

We have obtained air & water pollution control certificate for our manufacturing facility. We have made, and will continue to make capital and other expenditure to comply with environmental, health and safety standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings being commenced against us, third party claims or the levy of regulatory fines.

Additionally, we cannot assure you that we will not be involved in future litigation or other proceedings, or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant. Any accidents at our facilities may result in personal injury or loss of life, substantial damage to or destruction of property and equipment resulting in the suspension of operations. The loss or shutdown of our operations over an extended period of time could have an adverse effect on our business and operations.

20. We are heavily reliant on our Key Management Personnel and persons with technical expertise. Failure to retain or replace them will adversely affect our business, prospects, results of operations and financial condition.

In order to successfully manage and expand our business, we are dependent on the services of our Key Management Personnel, and our ability to attract, train, motivate and retain skilled employees, including operational heads and other professionals. In addition, our company requires personnel with requisite operational expertise. If we are unable to hire additional personnel or retain existing qualified personnel, in particular our Key Management Personnel and persons with requisite operational

expertise, our operations and our ability to expand our business may be impaired. Further, we may be unable to hire and retain enough skilled and experienced employees to replace those who leave or may not be able to re-deploy existing resources successfully. Failure to hire or retain Key Management Personnel, professionals and skilled employees, having requisite experience, could adversely affect our business, prospects, results of operations and financial condition.

21. Our Promoter and promoter group will continue to exercise significant control over our business and shall be in a position to direct corporate actions which may be allegedly detrimental to the interest of other shareholders.

Our Promoter and Promoter Group holds 65.42% of our equity share capital. As a result, they are in a position to continue to exercise significant control over our business and all matters requiring shareholder approval, including timing and distribution of dividends, election of officers and directors, our business strategy and policies, approval of significant corporate transactions such as mergers and business combinations and sale of assets. They have also jointly / severally undertaken to apply for Equity Shares in addition to their Rights Entitlement to the extent of any undersubscribed portion of the Issue, subject to obtaining any approvals required under applicable law, to ensure that at least 90% of the Issue is subscribed. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Their control could approve or impede a merger, consolidation, takeover or other business combination involving us, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control even if such transaction is allegedly beneficial to other shareholders.

22. We are a listed company and are required to comply with rules and regulations imposed by the Stock Exchanges and SEBI with respect to continuous listing and the Companies Act. Any failure to comply with such rules and regulations or any wrong disclosure made to the Stock Exchange or any statutory authority could result in penalties being imposed on us, which may adversely affect our business and operations.

As a listed company, we are required to comply with certain conditions for continuous listing under the SEBI Listing Regulations and other rules and regulations imposed by SEBI, which require us to make certain periodic disclosures, including disclosures about any material events or occurrences with respect to our Company, disclosure of our financial statements and disclosure of our updated shareholding pattern. Any failure to comply with these continuous disclosure requirements or any wrongful disclosure made by us to the Stock Exchange or any other statutory authority may lead to penalties being imposed on us. There has been, on few occasions, inadvertent late filings/Publication of quarterly financial results done by our Company to BSE & NSE. Recently, BSE, vide its communication dated 16th October, 2019 and NSE vide its letter dated 15th October, 2019 has directed our Company to pay fine for late submission of Annual Report and our Company has paid penalty of Rs. 50,000/- on 19th October, 2019 towards the fine. Also, the NSE has vide its letter dated 01st January, 2020 and BSE vide its communication dated 7th January, 2020 waived the said penalty. We believe, we are in compliance with rules and regulations imposed by the BSE, NSE and SEBI with respect to continuous listing, any failure to comply with such rules and regulations or any wrong disclosure made to the BSE & NSE or any statutory authority could result in penalties being imposed on us, which may adversely affect our business and operations.

23. We may be unable to obtain, renew or maintain statutory and regulatory permits, licenses and approvals required to operate our business.

We require certain statutory and regulatory permits, licenses and approvals to operate our business such as consents to establish and operate from the state pollution control board, registration and licenses issued under the Factories Act, 1948, as amended for our various manufacturing facilities, commissioning certificates and safety certificates from the state electricity board, registration

certificates issued under various labor laws. Our licenses, permits and approvals impose certain terms and conditions that require us to incur a significant cost and inter alia, restrict certain activities. There can be no assurance that the approvals, licenses, permits and registrations may not be revoked in the event of any non-compliance with any terms or conditions imposed thereof.

Further, certain approvals for our manufacturing facilities and trademarks/Patents for our business purposes are required to be applied or renewed on an ongoing basis, and accordingly, we have initiated process for obtaining certain approvals but not yet completed the applications with relevant authorities or not yet received the final registrations from the relevant authorities. For further information regarding such licenses and approvals, see the section “Government and Other Statutory Approvals” on page 268 of this Letter of Offer.

In the future, we will be required to regularly renew permits, licenses and approvals for our business, and to obtain new permits, licenses and approvals for any proposed expansion. While we will endeavour to renew or obtain such approvals as required, there can be no assurance that the relevant authorities will issue any such approvals within our anticipated timeframe or at all. An inability to renew, maintain or obtain any required permits, licenses or approvals may result in the interruption of our operations and have a material adverse effect on our business, financial condition and results of operations.

24. Changes in technology may render the current technologies obsolete or require us to make substantial capital investments else we can fail to maintain cost competitiveness, which results in decreased market share and affects our sales and profits.

The business of our Company is largely dependent on the technology adopted by us. The manufacturing process in the Plastic Industry is prone to technological and process changes, which may render our current processes obsolete. In order to compete successfully with our competitors, our Company may be required to invest funds to adopt newer technologies and processes, which may have an adverse impact on the business and profitability of our Company. Also, timely upgradation of our machines will help us to maintain the cost competitiveness of our business as well as the existing customers since we will be in a position to provide them products as per the latest designs, patterns, trends and fashion. But these up-gradations involve investment of substantial funds which the Company may not be in a position to bring in at appropriate time period.

25. Any changes in regulations or applicable Government incentives would materially and adversely affect our operations and growth prospects

The Government of India has provided several exports related incentives to our sector, from which we have been benefitted like SFIS License (Served from India Scheme) and MEIS (Merchandise Exports India Scheme). In the Fiscal Years 2018, 2017 and 2016 we have received following benefits:

1) Served from India Scheme (SFIS License)

Particulars	Amount in Rs.
License obtained in FY 2015-16	1,01,45,464.00
Utilized against purchase of Plant & Machinery till FY 2016-17	78,27,325.00
Lapsed	23,18,139.00

2) **Merchandise Exports from India Scheme (MEIS)**

Year	Benefit Amount (in Rs.)	Validity
2015-16	14,655	19-03-2021
2016-17	37,872	16-05-2021
2017-18	1,15,491	29-07-2021
Total	1,68,018	

These incentives have a validity period within which it could be used, also, these incentives could be modified or removed at any time, which could adversely affect our business and profitability.

Any failure on the part of our Company to adhere to the requirements of these incentives may result in our Company losing the benefit of some or all of these incentives and/or payment of penalties. Relevant authorities in India may also introduce additional or new regulations applicable to our business which could adversely affect our business and profitability.

26. We are unable to trace certain corporate records pertaining to the build-up of Equity Shares and are unable to trace certain secretarial records pertaining to past years. We cannot assure you that our Company will not be subjected to any liability on account of such discrepancies.

We manage our internal compliance by monitoring and evaluating internal controls, and ensuring all applicable statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. Our Company is unable to trace certain secretarial forms. While our Company believes that the secretarial forms were duly filed, and submitted to ROC. We have been unable to locate copies of these documents in our records or obtain copies of the same from the appropriate authorities. We cannot assure you that these documents will be available in the future or that we will not be subject to any penalties imposed by the competent authority in connection with these documents. As we continue to grow, there can be no assurance that such deficiencies in our internal controls will not arise, giving rise to recurrences of such discrepancies / errors that could subject our Company to the applicable consequences under the Companies Act, which could adversely affect our business and reputation.

27. Our historical revenues have been significantly dependent on few customers. If our customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.

Our top 10 customers have contributed over 72% of our revenues for the financial year ended March 31, 2019. Any decline in our quality standards, growing competition and any change in the demand by these customers may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability. However, the composition and revenue generated from these clients might change as we continue to add new clients in normal course of business. We intend to retain our customers by offering solutions to address specific needs in a proactive, cost effective and time efficient manner. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

28. As on the date of this Letter of Offer, no investor complaint is outstanding on SCORES.

As on the date of this Letter of Offer, no investor complaint is outstanding on SCORES. But there is no assurance that in future the Company will be able to resolve each and every investor complaint received on SCORES.

For detailed information of the no. of Investor Complaints received and resolved by the Company, kindly refer to page No. 280.

29. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial condition

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy requires us to develop and strengthen relationships with existing customers for our business of grey and dyed synthetic yarns which may drive high volume orders on an ongoing basis. In order to remain competitive, we seek to increase our business from existing customers and by adding new customers. Our success in implementing our growth strategies amongst others may be affected by:

- a. our ability to maintain the quality of our products;
- b. our ability to increase our customer base;
- c. the general condition of the global economy (particularly of India and the other markets that we currently or may operate in); and
- d. changes in the Indian or international regulatory environment applicable to us.

Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategy. Separately, our growth strategy also involves expanding into new geographic markets which will involve additional risk. While we may have been successful in executing our business strategies in the past, there can be no assurance that we will be able to execute our strategy on time and effectively, or that our expansion and development plans will increase our profitability. We expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and growth strategy could have a material adverse effect on our business, financial condition and profitability.

30. If our Company is unable to respond effectively to competition, our business and financial condition may be adversely affected. We operate in a competitive business environment, both globally and domestically. If our Company is unable to respond effectively to competition, our business, prospects, results of operations and financial condition may be adversely affected.

We operate in a competitive business environment. The manufacturing industry in which our company is venturing into is constantly evolving, primarily due to factors such as but not limited to technological advances, regulations of both Governments and bilateral treaties and arrangements and consolidation of resources by industry players. Growing competition may subject us to pricing pressures and require us to reduce the prices of our products and services in order to retain or attract customers, which may have a material adverse effect on our revenues and margins. Further, several of our competitors are larger international and national companies and have access to greater resources, wider geographical reach, broader product ranges or may be able to develop or acquire technology or partner with innovators or customers at terms which are not presently feasible for us, due to our current scale of operations. Further, they may succeed in developing products that are more effective, more popular or

cheaper than our products. Any of these factors may have a material adverse effect on our business, prospects, results of operations and financial condition.

31. Our Company is dependent on third party transportation providers for the delivery of our goods and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.

Our Company uses third party transportation providers for delivery of our goods. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. In addition goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products, which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials or finished goods may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

32. Our insurance coverage may be inadequate to satisfy future claims against us.

We maintain insurance that we consider to be typical in our industry in India and in amounts which are commercially appropriate for a variety of risks, including fire and other perils. The Company does not have any key managerial insurance policy for its key management personnel. The existing insurance may not be adequate to cover all losses or liabilities that may arise from our business operations, particularly if the loss suffered is not easily quantifiable. Our insurance policies contain exclusions and limitations on coverage, as a result of which, we may not be able to successfully assert our claims for any liability or loss under such insurance policies. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms.

Furthermore, there can be no assurance that in the future we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. Further, despite such uninsured losses we may remain obligated for any financial indebtedness or other obligations related to our business. Any such uninsured losses or liabilities could result in an adverse effect on our business and financial results.

33. The Objects of this Issue are based on the internal estimates of our management, and have not been appraised by any bank or financial institution. The deployment of funds in acquisition of ancillary residual ancilliary machinery and equipment for setting up of manufacturing facility of ACT (Anti Counterfeit Thread) in its Ankleshwar Plant and to provide loan to Wholly owned subsidiary Company, namely, Avery Pharmaceuticals Pvt Ltd, to part finance the setting up manufacturing facility Sanand, Ahmedabad and others is entirely at our discretion and the same will not be monitored by any external agency.

Our funding requirements and the deployment of the proceeds of the Issue are based on our management estimates and have not been appraised by any bank or financial institution. The deployment of funds for the Objects of the Issue is entirely at our own discretion and the same will not be monitored by any external agency. We may have to revise our management estimates from time to time and consequently our funding requirements may also change. The estimates contained in this Letter of Offer may exceed the value that would have been determined by third party appraisals,

which may require us to reschedule the deployment of funds proposed by us and may have a bearing on our expected revenues and earnings.

The SEBI ICDR Regulations stipulates the appointment of monitoring agency only where the issue size is in excess of Rs.10,000 Lakh. Since the Issue is for less than 10,000 Lakh, we will not be appointing a monitoring agency and the deployment of Issue Proceeds as stated in the chapter titled “Objects of the Issue” beginning on page 90 of this Letter of Offer will not be monitored by an independent agency.

34. We have not placed any orders for certain machineries, Accessories and equipments required in terms of our objects for the Issue.

We have not placed orders for certain machineries and accessories/equipment of the total plant and machinery required during setting up of manufacturing facility of ACT (Anti Counterfeit Thread) in its Ankleshwar Plant and for setting up manufacturing facility Sanand, Ahmedabad by Wholly owned subsidiary Company, namely, Avery Pharmaceuticals Pvt Ltd. Even though we have received quotations from interested suppliers for the same, no assurance can be given of their validity at the time we actually intend to purchase these machines. In the event we are unable to procure the plant and machinery it may affect our future prospects and may impact our results of operations. We are also subject to risks on account of inflation in the price of the machinery and other equipment that we require for the project. These factors may increase the overall cost of our project and have an adverse effect on our business and results of operations.

35. Any delay in production, or shutdown any of our Existing Facilities as well as new proposed manufacturing facility of ACT (Anti Counterfeit Thread) in its Ankleshwar Plant and setting up manufacturing facility Sanand, Ahmedabad by our Wholly owned subsidiary Company, namely, Avery Pharmaceuticals Pvt Ltd. could adversely affect our business, prospects, results of operations and financial condition

Our Company’s Existing Facilities are situated in Ankleshwar as well as proposed manufacturing facility of ACT (Anti Counterfeit Thread) in its Ankleshwar Plant and setting up manufacturing facility Sanand, Ahmedabad by our Wholly owned subsidiary Company, namely, Avery Pharmaceuticals Pvt Ltd. If our Company experiences delays in production or shutdown at such facilities due to any reason, including natural disasters, disruptions caused by disputes with our workforce or due to our employees forming a trade union, or due to any natural disaster, our Company’s operations will be significantly affected, which in turn would have a material effect on our business, prospects, results of operations and financial condition.

36. Under-utilisation of our proposed expansion may adversely impact our financial performance.

Our proposed expansion in new expansion plan is based on our internal estimates of market demand and profitability. In the event of non-materialisation of our estimates and expected order flow for our products, due to factors including adverse economic scenario, change in demand or change in technology or non-acceptability of the product in the market for any other reason, our capacities may not be fully utilised thereby adversely impacting our financial performance.

37. Our Company’s ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

Our Company has been a dividend paying Company, however, the amount of future dividend payments, if any, will depend upon our Company’s future earnings, financial condition, cash flows, working capital requirements, the terms and conditions of our Company’s indebtedness and capital expenditures. There can be no assurance that our Company will be able to pay dividends in the future.

38. Our Company's management will have flexibility in utilising the Net Proceeds and that there is no assurance that the deployment of the Net Proceeds in the manner intended by our Company will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution.

Our Company intends to use the Net Proceeds for the purposes described in "Objects of the Issue" on page 90 of this Letter of Offer. As our Company's management has broad discretion to use the Net Proceeds from the Issue, you will be relying on the judgment of our Company's management regarding the application of these Net Proceeds.

Our Company, in accordance with the policies formulated by the Board of Directors from time to time, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in second schedule of the Reserve Bank of India Act, 1934. The use of the Net Proceeds for purposes identified by our management may not result in actual growth of its business, increased profitability or an increase in the value of your investment.

39. Investors shall not have the option to receive Rights Equity Shares in physical form.

In accordance with the SEBI ICDR Regulations, the option to receive the Rights Equity Shares in physical form was available only for a period of 6 (six) months from the date of coming into force of the SEBI ICDR Regulations, i.e., till May 10, 2019. Accordingly, the Rights Equity Shares offered pursuant to this Issue will be allotted only in dematerialized form and the investors shall not have the option to receive the Rights Equity Shares in physical form. Also, the entitlement of Rights Equity Shares to be Allotted to the Applicants who will apply for Allotment of the Rights Equity Shares in physical form will be kept in abeyance in electronic mode by our Company until the Applicants provide details of their demat account particulars to the Registrar to the Issue.

EXTERNAL RISK FACTORS

40. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.

There could be a downgrade of India's sovereign debt rating 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. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. 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, which may cause fluctuations in the prices of our Equity Shares. This could have an adverse effect on our business and financial performance, and ability to obtain financing for expenditures.

41. There is no guarantee that the Rights Equity Shares issued pursuant to the Issue will be listed on the Stock Exchange in a timely manner or at all and any trading closures at the Stock Exchange may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, permission for listing of the Rights Equity Shares will not be granted until after those Rights Equity Shares have been issued and allotted. In addition, we are required to deliver this Letter of Offer and Letter of Offer to SEBI and the Stock Exchange under the applicable provisions of the Companies Act and the ICDR Regulations. The trading approval shall be granted subject to the submission of all other relevant documents authorizing the issuing of Rights

Equity Shares. There could be a failure or delay in listing the Rights Equity Shares on the Stock Exchange. Any failure or delay in obtaining the approval would restrict investors' ability to dispose off their Equity Shares. Further, a closure of, or trading stoppage on the Stock Exchange could adversely affect the trading price of the Equity Shares.

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

The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that the Investors will be able to sell their Equity Shares at or above the Issue Price. The factors that could affect our share price are:

- (a) quarterly variations in the rate of growth of our financial indicators such as earnings per share;
- (b) changes in revenue or earnings estimates or publication of research reports by analysts;
- (c) speculation in the press or investment community;
- (d) general market conditions; and
- (e) domestic and international economic, legal and regulatory factors unrelated to our performance.

43. Political instability or changes in the Government or Government policies could impact the liberalization of the Indian economy and adversely affect economic conditions in India generally.

The performance and growth of our Company is dependent on the health of the Indian economy and more generally the global economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. As a result, our business and the market price and liquidity of the Equity Shares may be affected by such economic and / or political changes. While the current Government is expected to continue the liberalization of India's economic and financial sectors and deregulation policies, there can be no absolute assurance that such policies will be continued.

A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and specifically have an adverse effect on the operations of our Company.

44. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect our business, prospects, results of operations and financial condition.

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade as well as the worldwide financial markets. The Asian region has from time to time experienced instances of civil unrest and hostilities among neighbouring countries which may persist and occur in the future. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the World, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

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

Our operations, 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 which may affect our manufacturing processes. Damage or destruction that interrupts our production 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 infrastructure.

We may also be liable to our customers for disruption in supply resulting from such damage or destruction. Our insurance coverage for such liability may not be sufficient. Any of the above factors may adversely affect our business, our financial results and the price of our Equity Shares.

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

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realised on the sale of our Equity Shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if securities transaction tax ("STT"), has been paid on the transaction. STT will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realised on the sale of equity shares held for more than 12 months by an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of our Equity Shares held for a period of 12 months or less will be subject to capital gains tax in India. The Ministry of Finance has in the union budget for 2018-19 proposed that any gain in excess of Rs. 100000 realised on the sale of listed equity shares on a stock exchange held for more than 12 months will be subject to long term capital gains tax of 10% without allowing any benefit of indexation. However, all gains up to January 31, 2018 will be grand fathered. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India if it is provided under a treaty between India and the country of which the seller is a 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 jurisdictions on gains arising from a sale of our Equity Shares.

47. Any future issuance of the Equity Shares may dilute your future shareholding and sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

Any future equity issuances by our Company may lead to dilution of your future shareholding in our Company. Any future equity issuances by our Company or sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Share. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Share. Except as otherwise stated in the Letter of Offer, there is no restriction on our Company's ability to issue the Securities or the relevant shareholders' ability to dispose of their Equity Share, and there can be no assurance that our Company will not issue Equity Share or that any such shareholder (including Promoters and Promoter Group) will not dispose of, encumber, or pledge its Securities.

48. General economic conditions in India and globally could adversely affect the business and results of operation of our Company.

Our results of operations and financial condition depend significantly on worldwide economic conditions. Various factors may lead to a slowdown in the Indian or world economy which in turn may adversely impact our business, financial performance and operations. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, European nations also have an impact on the growth of the Indian economy. 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, Industry and our business.

SECTION IV- INTRODUCTION

SUMMARY OF THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter titled “*Terms of the Issue*” beginning on page 281 of this Letter of Offer:

Authority for the Issue

The Equity Shares in the present Issue are being offered pursuant a resolution passed by our Board at its meeting held on September 07, 2019 in accordance with the provisions of the Companies Act.

Summary of the Issue

Rights Equity Shares to be Issued	23,47,990 Equity Shares
Rights Entitlement for Equity Shares	1 (one) Rights Equity Share(s) for every 5 (five) fully paid-up Equity Share(s) held on the Record Date.
Record Date	Thursday, February 13, 2020
Face value per Equity Share	Rs. 10 each
Issue Price per Rights Equity Share	Rs. 36 per Rights Equity Share
Issue Size	Rs. 845.28 Lakhs
Equity Shares outstanding prior to the Issue	1,17,39,948 Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	1,40,87,938 Equity Shares
Script Code	ISIN: INE570D01018 BSE: 516064 NSE: ARROWGREEN
Terms of the Issue	For more information, please see the chapter titled “ <i>Terms of the Issue</i> ” beginning on page 281 of this Letter of Offer.
Use of Issue Proceeds	For more information, please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 90 of this Letter of Offer.
Terms of Payment	The full amount of Issue Price Rs. 36 per Rights Equity Share is payable on Application.

SUMMARY OF FINANCIAL STATEMENTS

The summary financial information of our Company as derived from the audited standalone and consolidated financial statements of our Company for the financial year ended on March 31, 2019 and the limited reviewed unaudited standalone and consolidated financial results of our Company for the Six months ended on September 30, 2019 is reproduced below. Our summary financial information should be read in conjunction with the financial statements and the notes (including the significant accounting principles) thereto included in chapter titled “*Financial Statements*” beginning on page 115 of this Letter of Offer.

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AUDITED STANDALONE PROFIT AND LOSS FOR THE PERIOD ENDING 31ST MARCH, 2019

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2019			
(All amounts in Indian ₹ in thousand unless otherwise stated)			
Particulars	Notes	Year ended	
		March 31, 2019	March 31, 2018
INCOME			
Revenue from operations	24	4,34,011	3,88,827
Other Income	25	76,900	1,02,492
TOTAL INCOME		5,10,911	4,91,319
EXPENSES			
Cost of raw materials consumed	26	36,669	34,575
Purchase of stock-in-trade		2,29,766	69,740
Change in inventory of finished goods, work-in-progress and stock in trade	27	(6,293)	(22,287)
Excise duty on sales		-	1,453
Employee benefits expense	28	87,226	70,661
Depreciation and amortisation expense	3	34,084	40,314
Other expenses	29	1,19,321	1,15,556
TOTAL EXPENSES		5,00,773	3,10,012
Profit before tax		10,138	1,81,307
Income tax expense			
Current Tax	32	11,010	32,276
Deferred Tax	32	(2,773)	(2,442)
Total tax expense		8,237	29,834
Profit after tax		1,901	1,51,473
Other comprehensive income not to be reclassified to profit or loss :			
Re-measurement gains/ (losses) on defined benefit plans		(265)	(375)
Income tax relating to the above items		77	109
Other comprehensive income for the year, net of tax		(188)	(266)
Total comprehensive income for the year, net of tax		1,713	1,51,207
Earnings per equity share (₹)			
Basic and Diluted [Nominal value of the shares ₹ 10 (March 31, 2018 : ₹ 10)]	33	0.16	12.90
The accompanying notes are an integral part of these financial statements (1-44)			
As per our report of even date.			
For Haribhakti & Co LLP Chartered Accountants ICAI FR No. 103523W / W100048		For and on behalf of the Board of Directors of Arrow Greentech Limited	
Snehal Shah Partner Membership No. 048539	Shilpan Patel Managing Director DIN No - 00341068	Neil Patel Jt. Managing Director DIN No - 00607101	
Place : Mumbai Date : May 18, 2019	Hitesh Punglia Chief Financial Officer	Poonam Bansal Company Secretary	

AUDITED STANDALONE BALANCE SHEET AS ON 31ST MARCH, 2019

BALANCE SHEET AS AT MARCH 31, 2019

(All amounts in Indian ₹ in thousand unless otherwise stated)

Particulars	Notes	As at	
		March 31, 2019	March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,14,687	1,35,665
Capital work-in-progress	3	6,440	-
Intangible assets	3	15,661	18,285
Intangible assets under development	3	5,553	6,593
Investment Property	4	1,421	1,494
Investment in subsidiaries and associates	5	5,352	6,577
Financial assets			
(i) Investments	5	1,16,961	2,48,970
(ii) Loans	6	47,079	4,034
(iii) Other financial asset	7	1,597	1,926
Income tax assets (Net)	8	7,377	7,239
Other non - current assets	9	26,967	1,032
Total Non-current assets		3,49,095	4,31,815
Current assets			
Inventories	10	54,992	44,858
Financial assets			
(i) Trade Receivables	11	70,398	30,540
(ii) Cash and cash equivalents	12	30,200	7,400
(iii) Bank balances other than (ii) above	13	6,401	5,120
(iv) Loans	14	977	1,463
(v) Other financial assets	15	142	747
Other current assets	16	34,086	33,503
Total current assets		1,97,196	1,23,631
TOTAL ASSETS		5,46,291	5,55,446
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	1,17,399	1,17,399
Other Equity	18	3,61,257	3,83,023
Total Equity		4,78,656	5,00,422
Non-current liabilities			
Provisions	19	1,643	800
Deferred tax liabilities (Net)	32	3,625	6,475
Total Non current Liabilities		5,268	7,275
Current liabilities			
Financial liabilities			
(i) Trade payables	20		
- Total outstanding dues to Micro and Small Enterprises		291	69
- Total outstanding dues to others		30,528	22,726
(ii) Other financial liabilities	21	26,942	20,050
Provisions	22	1,333	2,340
Other current liabilities	23	3,273	2,564
Total current Liabilities		62,367	47,749
Total Liabilities		67,635	55,024
TOTAL EQUITY AND LIABILITIES		5,46,291	5,55,446
Significant accounting policies	2		

The accompanying notes are an integral part of these financial statements (1-44)

As per our report of even date.

For Haribhakti & Co LLP
Chartered Accountants
ICAI FR No. 103523W / W100048

Snehal Shah
Partner
Membership No. 048539

Place : Mumbai
Date : May 18, 2019

**For and on behalf of the Board of Directors of
Arrow Greentech Limited**

Shilpan Patel
Managing Director
DIN No - 00341068

Hitesh Punglia
Chief Financial Officer

Neil Patel
Jt. Managing Director
DIN No - 00607101

Poonam Bansal
Company Secretary

AUDITED STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDING 31ST MARCH, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2019

(All amounts in Indian ₹ in thousand unless otherwise stated)

Particulars	Year Ended	
	March 31, 2019	March 31, 2018
Operating activities		
Profit before tax	10,138	1,81,307
<u>Adjustment to reconcile profit before tax to net cash flows</u>		
Depreciation and amortisation	34,084	40,314
Fair value gain on non-current investments	3,824	(953)
Impairment Loss on Investment in subsidiaries and Associates	-	2,295
Provision For Doubtful Debt	2,492	1,212
Provision For Doubtful Advances	649	146
Sundry balance written-off	-	12
Unrealised Foreign Exchange gain	(453)	(172)
Net gain on sale of Long term investments	(6,293)	(3,283)
Interest income	(1,766)	(1,275)
Gain on Forward Contract	10	-
Dividend Income	(65,851)	(93,653)
	(23,166)	1,25,950
Working capital adjustments:		
Decrease/ (Increase) in Loans and Advances	(42,568)	(1,730)
Decrease/ (Increase) in non-current assets	(26,584)	110
Decrease / (Increase) in trade receivables	(42,389)	(14,079)
Decrease/ (Increase) in current assets	(593)	(14,761)
Decrease/ (Increase) in Inventories	(10,134)	(25,545)
Increase/ (Decrease) in provisions	(429)	2,003
Increase/ (Decrease) in trade payables	8,515	2,311
Increase/ (Decrease) in other financial Liabilities	6,892	(7,138)
Increase/ (Decrease) in other Liabilities	709	(914)
	(1,29,746)	66,206
Income tax paid	(11,148)	(32,065)
Net Cash Flow from operating activities (A)	(1,40,894)	34,141
Investing activities		
Purchase of Fixed assets including CWIP	(15,810)	(26,432)
Purchase of Long term investments	1,225	(4,975)
Purchase of mutual fund investment, net	1,34,478	(58,869)
Investments in Bank deposits	(952)	3,358
Dividend Received	66,435	91,073
Interest Received	1,797	1,311
Net cash flows from investing activities (B)	1,87,173	5,467
Financing activities:		
Dividend paid, including dividend tax	(23,479)	(64,427)
Net cash (used in) financing activities (C)	(23,479)	(64,427)
Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C)	22,800	(24,820)
Effect of exchange difference on Cash and Cash Equivalents		
Cash and Cash equivalents at the beginning of the year	7,400	32,220
Cash and Cash equivalents at the end of the year (refer note - 12)	30,200	7,400

Notes:

Above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS -7) "Statement of Cash Flow"
The accompanying notes are integral part of the Financial Statement (1-44)

As per our report of even date.

For Haribhakti & Co LLP
Chartered Accountants
ICAI FR No. 103523W / W100048

Snehal Shah
Partner
Membership No. 048539

Place : Mumbai
Date : May 18, 2019

**For and on behalf of the Board of Directors of
Arrow Greentech Limited**

Shilpan Patel
Managing Director
DIN No - 00341068

Hitesh Punglia
Chief Financial Officer

Neil Patel
Jt. Managing Director
DIN No - 00607101

Poonam Bansal
Company Secretary

AUDITED CONSOLIDATED PROFIT AND LOSS FOR THE PERIOD ENDING 31ST MARCH, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019			
(All amounts in Indian ₹ in thousand unless otherwise stated)			
Particulars	Notes	Year ended	
		March 31, 2019	March 31, 2018
INCOME			
Revenue from operations	25	3,42,922	3,47,274
Other Income	26	16,169	22,687
TOTAL INCOME		3,59,091	3,69,961
EXPENSES			
Cost of raw materials consumed	27	36,668	34,575
Purchase of stock-in-trade		2,29,437	70,906
Change in inventory of finished goods, work-in-progress and stock in trade	28	(8,950)	(23,105)
Excise Duty on sales		-	1,453
Employee benefits expense	29	92,418	71,886
Depreciation and amortisation expense	3	37,012	43,802
Other expenses	30	1,42,989	1,38,071
TOTAL EXPENSES		5,29,574	3,37,588
Profit before tax		(1,70,483)	32,373
Income tax expense			
Current Tax	33	11,010	32,276
Adjustment of tax relating to earlier periods (net)		(9,013)	824
Deferred Tax		(3,817)	(2,442)
Total tax expense		(1,820)	30,658
Profit after tax		(1,68,663)	1,715
Other comprehensive income :			
(i) Items that will be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		(7,484)	66,400
(ii) Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit obligations gains / (loss)		(265)	(375)
- Income tax relating to the above items		77	109
		(188)	(265)
Other comprehensive income for the year, net of tax		(7,672)	66,135
Total comprehensive income for the year		(1,76,335)	67,849
Profit attributable to:			
Owners of equity		(1,66,802)	2,747
Non-controlling interest		(1,861)	(1,032)
		(1,68,663)	1,715
Total comprehensive income attributable to:			
Owners of equity		(1,74,474)	68,882
Non-controlling interest		(1,861)	(1,032)
		(1,76,335)	67,850
Earnings per equity share (₹)			
Basic and Diluted [Nominal value of the shares ₹10 (March 31, 2018 : ₹ 10)]	34	(14.21)	0.23

The accompanying notes are an integral part of these financial statements (1-48)

As per our report of even date.

For Haribhakti & Co LLP
Chartered Accountants
ICAI FR No. 103523W / W100048

Snehal Shah
Partner
Membership No. 048539

Place : Mumbai
Date : May 18, 2019

**For and on behalf of the Board of Directors of
Arrow Greentech Limited**

Shilpan Patel
Managing Director
DIN No - 00341068

Hitesh Punglia
Chief Financial Officer

Neil Patel
Jt. Managing Director
DIN No - 00607101

Poonam Bansal
Company Secretary

AUDITED CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH, 2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(All amounts in Indian ₹ in thousand unless otherwise stated)

Particulars	Notes	As at	
		March 31, 2019	March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,11,100	2,41,412
Capital work-in-progress	3	14,441	-
Intangible assets	3	15,751	18,469
Intangible assets under development	3	9,751	6,593
Investment Property	4	1,421	1,494
Financial assets			
(i) Investments	5	1,66,017	2,94,634
(ii) Loans	6	4,517	4,034
(iii) Other financial asset	7	6,397	3,988
Income tax assets (Net)	8	11,736	7,173
Other non-current assets	9	67,312	18,984
Total Non-current assets		5,08,443	5,96,781
Current assets			
Inventories	10	58,898	46,109
Financial assets			
(i) Trade Receivables	11	76,021	79,932
(ii) Cash and cash equivalents	12	1,77,018	2,90,524
(iii) Bank balances other than (ii) above	13	6,401	5,120
(iv) Loans	14	1,049	1,463
(v) Other financial assets	15	186	2,955
Other current assets	16	37,571	34,125
Total current assets		3,57,144	4,60,228
TOTAL ASSETS		8,65,587	10,57,009
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	1,17,399	1,17,399
Other Equity	18	6,61,183	8,59,140
Equity attributable to owners		7,78,582	9,76,539
Non controlling interest		16,310	19,707
Total Equity		7,94,892	9,96,246
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	19	369	507
Provisions	20	1,643	800
Deferred tax liabilities (Net)	33	3,736	7,636
Total Non-current Liabilities		5,748	8,943
Current liabilities			
Financial liabilities			
(i) Trade payables	21		
- Total outstanding dues to Micro and Small Enterprises		291	69
- Total outstanding dues to others		33,985	25,011
(ii) Other financial liabilities	22	25,550	21,832
Provisions	23	1,333	2,340
Other current liabilities	24	3,788	2,568
Total current Liabilities		64,947	51,820
Total Liabilities		70,695	60,763
TOTAL EQUITY AND LIABILITIES		8,65,587	10,57,009

Significant accounting policies

2

The accompanying notes are an integral part of these financial statements (1-48)

As per our report of even date.

For Haribhakti & Co LLP
Chartered Accountants
ICAI FR No. 103523W / W100048

For and on behalf of the Board of Directors of
Arrow Greentech Limited

Snehal Shah
Partner
Membership No. 048539

Shilpan Patel
Managing Director
DIN No - 00341068

Neil Patel
Jt. Managing Director
DIN No - 00607101

Place : Mumbai
Date : May 18, 2019

Hitesh Punglia
Chief Financial Officer

Poonam Bansal
Company Secretary

AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDING 31ST MARCH, 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(All amounts in Indian ₹ in thousand unless otherwise stated)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Operating activities		
Profit before tax	(1,70,483)	32,373
Adjustment to reconcile profit before tax to net cash flows		
Depreciation of property, plant and equipment	37,012	43,802
Fair value gain on non-current investments	(1,263)	(1,175)
Exchange differences on translation of assets & liabilities	(10,115)	54,077
Provision For Doubtful Debt	2,492	1,212
Provision For Doubtful Advances	649	146
Sundry Balance Written Off	-	295
Investment in Associate Written Off	-	2,106
Net gain on sale of Long term Investments	(7,540)	(3,283)
Interest Income	(932)	(1,662)
Dividend Income	(5,346)	(8,431)
	(1,55,525)	1,19,460
Working capital adjustments:		
Decrease/ (Increase) in Loans and Advances	(69)	(1,730)
Decrease/ (Increase) in non-current assets	(38)	111
Decrease / (Increase) in trade receivables	1,419	14,312
Decrease/ (Increase) in current assets	(4,095)	(14,955)
Decrease/ (Increase) in Inventories	(12,789)	(26,363)
Increase/ (Decrease) in provisions	(429)	2,004
Increase/ (Decrease) in trade payables	9,196	2,143
Increase/ (Decrease) in other financial Liabilities	3,204	(5,680)
Increase/ (Decrease) in other Liabilities	1,220	(918)
Increase/ (Decrease) in other Financial assets	2,198	(2,208)
	(1,55,708)	86,177
Income tax paid	(6,560)	(35,979)
Net cash flows / (used in) from operating activities	(A)	50,198
Investing activities		
Purchase of Fixed assets including CWIP	(65,941)	(27,907)
Purchase of mutual fund investment, net	1,37,420	(1,06,418)
Investments in Bank deposits	(3,690)	1,296
Dividend Received	5,926	5,852
Interest Received	923	1,698
Net cash flows / (used in) from investing activities	(B)	(1,25,479)
Financing activities:		
Dividend paid, including dividend tax	(25,738)	(61,634)
Repayment of Borrowings	(138)	-
Net cash flows (used in) financing activities	(C)	(61,634)
Net increase / (Decrease) In Cash And Cash Equivalents	(A+B+C)	(1,36,914)
Cash and Cash equivalents at the beginning of the year	2,90,524	4,27,438
Cash and Cash equivalents at the end of the year (Refer note - 12)	1,77,018	2,90,524

Notes:

Above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS -7) "Statement of Cash Flow"

The accompanying notes are an integral part of these financial statements (1-48).

As per our report of even date.

For Haribhakti & Co LLP
Chartered Accountants
ICAI FR No. 103523W / W100048

Snehal Shah
Partner
Membership No. 048539

Place : Mumbai
Date : May 18, 2019

**For and on behalf of the Board of Directors of
Arrow Greentech Limited**

Shilpan Patel
Managing Director
DIN No - 00341068

Hitesh Punglia
Chief Financial Officer

Neil Patel
Jt. Managing Director
DIN No - 00607101

Poonam Bansal
Company Secretary

UNAUDITED STANDLONE FINANCIAL RESULTS FOR THE QUARTER/ HALF YEAR ENDED SEPTEMBER 30, 2019

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED SEPTEMBER 30, 2019							
SL. No.	Particulars	Quarter Ended (₹ In '000)			Half Year Ended (₹ In '000)		
		September 30, 2019 (Unaudited)	June 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	Year Ended (₹ In '000) March 31, 2019 (Audited)
1	Income						
(a)	Revenue from Operations	80,086	66,023	106,231	146,109	166,321	434,011
(b)	Other Income	12,913	3,677	31,676	16,590	33,374	76,900
	Total Income	92,999	69,700	137,907	162,699	199,695	510,911
2	Expenses						
(a)	Cost of Material Consumed	11,289	9,058	13,645	20,347	27,511	36,669
(b)	Purchase of stock-in-trade	3,988	22,982	39,113	26,970	57,376	229,766
(c)	Change in inventory of finished goods, work-in-progress & stock in trade	9,681	(6,126)	3,127	3,555	(10,364)	(6,293)
(d)	Employees Benefits Expenses	16,286	19,433	19,817	35,719	39,913	87,226
(e)	Finance Costs	370	274	-	644	-	-
(f)	Depreciation and Amortisation expenses	7,751	8,079	9,543	15,830	18,576	34,084
(g)	Other Expenses	26,129	22,654	33,690	48,783	63,612	119,321
	Total Expenses	75,494	76,354	118,935	151,848	196,624	500,773
3	Profit/(Loss) before tax (1-2)	17,505	(6,654)	18,972	10,851	3,071	10,138
4	Tax expenses						
(a)	Current Tax	2,443	-	5,010	2,443	5,010	11,010
(b)	Deferred tax expense	(270)	372	(1,259)	102	(2,316)	(2,773)
	Total Tax Expenses	2,173	372	3,751	2,545	2,694	8,237
5	Profit/(Loss) for the period (3-4)	15,332	(7,026)	15,221	8,306	377	1,901
6	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss						
	Remeasurement of Defined Benefit Plan	(66)	(66)	(94)	(132)	(188)	(265)
	Income Tax on remeasurement of Defined Benefit Plan	19	19	28	38	55	77
	Other Comprehensive Income for the period	(47)	(47)	(66)	(94)	(133)	(188)
	Total Comprehensive Income for the period (5+6)	15,285	(7,073)	15,155	8,212	244	1,713
7	Paid up Equity Share Capital (Face Value ₹. 10/- each)	117,399	117,399	117,399	117,399	117,399	117,399
8	Other Equity excluding revaluation reserve as per Balance Sheet						
9	Earnings Per Share (EPS) (₹)						361,257
	Basic	1.31	(0.60)	1.30	0.71	0.03	0.16
	Diluted	1.31	(0.60)	1.30	0.71	0.03	0.16

Notes

- The above results have been reviewed by the Audit Committee and taken on record in the meeting of Board of Directors held on November 14, 2019 and also reviewed by Statutory Auditors.
- This Statement has been prepared in accordance with the Companies ("Indian Accounting Standards") Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- During the quarter, Revenue from operations includes ₹ 24,489 thousands (quarter ended September 30, 2018 ₹ 25,623 thousands) for assigning of patents Marketing's Rights. During the quarter, other income includes ₹ 8,818 thousands (quarter ended September 30, 2018 ₹ Nil) for dividend income received from subsidiary company.
- There was an incidence of fire at one of the unit in factory of the Company located at Ankleshwar on October 30, 2019 in which certain tangible assets and inventories were damaged and destroyed. The Company has taken adequate insurance cover for tangible assets and inventories destroyed by fire. The Company is in the process of finalizing its insurance claim and does not expect significant impact on the Financials.
- Previous quarter / period / year figure are re-grouped, re-arranged, re-classified or re-worked wherever necessary to confirm to the current quarter / period accounting treatment.

For and on behalf of Board
Arrow Greentech Limited

Shilpa Patel
Shilpa Patel
Chairman and Managing Director
DIN : 00341068
Place Mumbai
Date November 14, 2019



Balance Sheet as at Sept 30, 2019 (Standalone)
(All amounts in Indian Rupees in thousand unless otherwise stated)

Particulars	As at	
	Sept 30, 2019	March 31, 2019
ASSETS		
Non-current assets		
Property, plant and equipment	112,683	114,687
Capital work-in-progress	17,995	6,440
Intangible assets	19,532	15,661
Intangible assets under development	4,345	5,553
Investment Property	1,387	1,421
Investment in subsidiaries and associates	5,352	5,352
<u>Financial assets</u>		
(i) Investments	86,811	116,961
(ii) Loans	109,442	47,079
(iii) Other Financial Asset	2,225	1,597
Income tax assets (Net)	6,844	7,377
Other non - current assets	68,822	26,967
Total Non- current assets	435,437	349,095
Current assets		
Inventories	48,701	54,992
<u>Financial assets</u>		
(i) Trade Receivables	50,192	70,398
(ii) Cash and cash equivalents	18,079	30,200
(iii) Bank balances other than (ii) above	25,922	6,401
(iv) Loans	131	977
(v) Other financial assets	188	142
Other current assets	32,714	34,086
Total current assets	175,927	197,196
TOTAL ASSETS	611,364	546,291
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	117,399	117,399
Other Equity	362,045	361,258
Total Equity	479,444	478,657
Non-current liabilities		
Borrowings	43,969	-
Provisions	1,836	1,643
Deferred tax liabilities (Net)	3,689	3,625
Other non-current liabilities	1,898	-
Total Non current Liabilities	51,392	5,268
Current liabilities		
<u>Financial liabilities</u>		
(i) Trade payables		
- Total outstanding dues to Micro and Small Enterprises	1,963	291
- Total outstanding dues to others	20,782	30,528
(ii) Other financial liabilities	53,612	26,942
Provisions	1,833	1,333
Other current liabilities	2,339	3,273
Total current Liabilities	80,528	62,367
Total Liabilities	131,921	67,635
TOTAL EQUITY AND LIABILITIES	611,364	546,291



Statement of Standalone Cash flow

(All amounts in Indian Rupees in thousand unless otherwise stated)

Particulars	Year to date		Year Ended
	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Audited
Operating activities			
Profit before tax	10,851	3,071	10,138
<u>Adjustment to reconcile profit before tax to net cash flows</u>			
Depreciation and amortisation	15,830	18,576	34,084
Fair value gain on non-current investments	(1,635)	528	3,824
Provision For Doubtful Debt	2,442	2,353	2,492
Provision For Doubtful Advances	-	-	649
Unrealised Foreign Exchange gain	311	238	(453)
Net gain on sale of Long term investments	211	-	(6,293)
Interest income	(3,922)	(335)	(1,766)
Gain on Forward Contract	-	-	10
Dividend Income	(10,350)	(31,035)	(65,851)
	13,738	(6,604)	(23,166)
Working capital adjustments:			
Decrease/ (Increase) in Loans and Advances	(4,617)	(14,437)	(42,568)
Decrease/ (Increase) in non-current assets	(41,855)	(11,123)	(26,584)
Decrease / (Increase) in trade receivables	17,453	(19,985)	(42,389)
Decrease/ (Increase) in current assets	1,372	2,076	(593)
Decrease/ (Increase) in Inventories	6,291	(9,990)	(10,134)
Increase/ (Decrease) in provisions	825	658	(429)
Increase/ (Decrease) in trade payables	(8,074)	(1,488)	8,515
Increase/ (Decrease) in other financial Liabilities	18,342	2,932	6,892
Increase/ (Decrease) in other Liabilities	964	(150)	709
	4,439	(58,111)	(129,747)
Income tax paid	(1,910)	(5,012)	(11,147)
Net Cash Flow from operating activities	(A)	(63,123)	(140,894)
Investing activities			
Purchase of Fixed assets including CWIP	(29,564)	(11,736)	(15,810)
Proceeds from Borrowings	52,032	-	-
(Purchase) / Sale of Long term investments	-	1,225	1,225
Sale of mutual fund investment, net	33,107	70,655	134,478
Loan given	(56,900)	-	-
(Investments) / proceeds from Bank deposits	(20,149)	576	(952)
Dividend Received	8,818	31,570	66,435
Interest Received	3,876	434	1,797
Net cash flows from investing activities	(B)	92,724	187,173
Financing activities:			
Dividend paid, including dividend tax	(5,870)	(23,480)	(23,479)
Net cash (used in) financing activities	(C)	(23,480)	(23,479)
Net Increase / (Decrease) In Cash And Cash Equivalents	(A+B+C)	6,121	22,800
Effect of exchange difference on Cash and Cash Equivalents			
Cash and Cash equivalents at the beginning of the year	30,200	7,400	7,400
Cash and Cash equivalents at the end of the year	18,079	13,521	30,200



GENERAL INFORMATION

Our Company was originally incorporated as “Arrow Coated Products Limited” as a public limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated October 30, 1992 issued by the Registrar of Companies, Mumbai, Maharashtra. Subsequently, pursuant to a special resolution of the shareholders dated 9th February, 2016, the name of our Company was changed to “Arrow Greentech Limited” pursuant to which a fresh certificate of incorporation consequent upon change of name dated 26th February, 2016 was issued by the Registrar of Companies, Mumbai, Maharashtra.

REGISTERED OFFICE OF OUR COMPANY

Arrow Greentech Limited
 Solitaire Corporate Park
 Bldg No 3, 7th Floor, Unit No 372
 Guru Hargovindji Marg
 Chakala, Andheri (East)
 Mumbai - 400093.
CIN: L21010MH1992PLC069281
E-mail: poonam@arrowgreentech.com
Website: www.arrowgreentech.com
Tel: +91-22-4074 9000

ADDRESS OF REGISTRAR OF COMPANIES

Registrar of Companies Maharashtra,
 100, Everest, Marine Drive,
 Mumbai - 400 002

CHANGES IN REGISTERED OFFICE

Upon incorporation, the Registered Office of our Company was at 159, Mittal Ind. Estate, “Sanjay”, Building No. 5-B, Marol Naka, Andheri Kurla Road, Andheri (E), Mumbai - 400 059. Thereafter, our Company has shifted the Registered Office, the details of which are set out below:

Date of Change of Registered Office	Old Address	New Address	Reason for Change
30 th June, 2005	159, Mittal Ind. Estate, “Sanjay”, Building No. 5-B, Marol Naka, Andheri Kurla Road, Andheri (E), Mumbai - 400 059	5-D, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053	Administrative
19 th October, 2015	5-D, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053	Solitaire Corporate Park Bldg No 3, 7 th Floor, Unit No 372, Guru Hargovindji Marg Chakala, Andheri (East) Mumbai - 400093	Administrative

BOARD OF DIRECTORS OF OUR COMPANY

NAME	DESIGNATION	DIN	PAN	ADDRESS
Mr. Shilpan Patel	Chairman and Managing Director	00341068	AGAPP4652K	303-A, Suman Apartments, Lokhandwala, Andheri (W), Mumbai - 400053
Mr. Neil Patel	Jt. Managing Director	00607101	AKRPP8491M	303-A, Suman Apartments, Lokhandwala, Andheri (W), Mumbai - 400053
Mr. Haresh Mehta	Non- Executive Independent Director	00376589	AAEPM9498E	Jayant House, Bail Bazar, Kurla-Andheri Road, Kurla (West), Mumbai - 400 070
Mr. Harish Mishra	Non- Executive Independent Director	05301127	AAJPM2790E	Flat No. 304, Bluebell Bldg No. 8, Mhada, Oshiwara, Andheri (West), Mumbai - 400 053
Ms. Aradhana Singh	Non- Executive Independent Director	08141485	BSXPS1361N	3 Uma Society, Vardavinayak Lane, Saivikas Nagar, Jivdani Road, Virar West, Thane - 401303
Mr. Dinesh Modi	Non- Executive Independent Director	00004556	AAFPM3811L	B/22, Sperry Star CHS Opp - Sushrut Hospital, Eksar Road, Borivali (W), Mumbai - 400091
Mr. Dinkarray Trivedi	Non- Executive Independent Director	00380306	ABDPT4807G	02, Shanti Niketan, Behind Khadayata Colony, Ellis Bridge, Ahmedabad, Gujarat 380006

For more details, please see the section titled “Our Management” on page 110 of this Letter of Offer.

Company Secretary & Compliance Officer:

Ms. Poonam Bansal
Arrow Greentech Limited
 Solitaire Corporate Park
 Bldg No 3, 7th Floor, Unit No 372
 Guru Hargovindji Marg
 Chakala, Andheri (East)
 Mumbai - 400093.
E-mail: poonam@arrowgreentech.com
Website: www.arrowgreentech.com
Tel: +91-22-4074 9000

Investors are advised to contact the Company Secretary and Compliance Officer or Registrar to the Issue or the Lead Manager for any pre-Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer / CAF / letter of allotment, Split Application Forms, or refund orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the Applicant, ASBA Account number and the

Designated Branch of the SCSBs, number of Rights Equity Shares applied for, amount blocked, where the CAF or the plain paper application, was submitted by the ASBA Investors.

CHIEF FINANCIAL OFFICER:

Mr. Hitesh Punglia
Arrow Greentech Limited
Solitaire Corporate Park
Bldg No 3, 7th Floor, Unit No 372
Guru Hargovindji Marg
Chakala, Andheri (East)
Mumbai - 400093.
E-mail: hitesh@arrowgreentech.com
Website: www.arrowgreentech.com
Tel: +91-22-4074 9000

LEAD MANAGER TO THE ISSUE:

Navigant Corporate Advisors Limited
423, A Wing, Bonanza,
Sahar Plaza Complex,
J B Nagar, Andheri Kurla Road,
Andheri East, Mumbai-400 059
Tel.No. +91-22-41204837/49735078
Email Id- navigant@navigantcorp.com
Investor Grievance Email: info@navigantcorp.com
Website: www.navigantcorp.com
SEBI Registration Number: INM000012243
Contact Person: Mr. Sarthak Vijlani

Statement of responsibilities of the Lead Manager to the Issuer

Navigant Corporate Advisors Limited is the Lead Manager to the Issue and all the responsibilities pertaining to coordination and other activities, in relation to the Issue, shall be performed by them.

Registrar to the Issue

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai - 400 083
Maharashtra, India
Telephone: +91 22 4918 6200
Facsimile: +91 22 4918 6195
Email: arrowgreentech.rights@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Sumeet Deshpande
SEBI Registration No: INR000004058

LEGAL ADVISORS TO THE ISSUE:

M V Kini, Law Firm
Kini House, 6/39,
Jangpura - B,
New Delhi - 110014
Tel: +91-11-2437 1038/39/40
Fax: +91-11-2261 2530
Email: raj@mvkini.com
Website: www.mvkini.com
Contact Person: Mrs. Raj Rani Bhalla

STATUTORY AUDITORS:

M/s. Haribhakti & Co. LLP
Chartered Accountants
705, Leela Business Park,
Andheri- Kurla Road, Andheri (E),
Mumbai - 400059
Tel.No. +91-22-6672 9999
Fax: +91- 22- 6672 9777
Email: snehal.shah1@haribhakti.co.in
Firm Registration No.: 103523W / W100048
Contact Person: CA Snehal Shah, Partner

PRINCIPAL BANKER TO THE COMPANY:

KOTAK MAHINDRA BANK LIMITED
27 BKC, Plot No.C-27, G-Block,
Bandra Kurla Complex,
Bandra (East), Mumbai-400051

BANK OF BARODA
Royal Accord IV, Ground & Ist Floor,
120 Feet Road, Balasaheb Deoras Marg,
Near Swami Samarth Circle, Lokhandwala,
Andheri (W), Mumbai-400053

BANKER TO THE ISSUE AND REFUND BANK:

HDFC Bank Limited
FIG-OPS Department, Lodha I,
Think Techno Campus, Level O-3,
Opp. Crompton Greaves,
Next to Kanjurmarg Railway Station,
kanjurmarg (E), Mumbai-400042
Tel.No. +91-22-30752928
Fax: +91- 22- 25799801
Email: vincent.dsouza@hdfcbank.com
Contact Person: Mr. Vincent D'souza
Website: www.hdfcbank.com

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA process is provided on <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. Details relating to Designated Branches of SCSBs collecting the ASBA application forms are available at the above mentioned link.

Credit rating

This being a Rights Issue of Equity Shares, no credit rating is required.

Debenture Trustee

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

Monitoring Agency

Since the size of the Issue is less than Rs. 1,000 Lakh, our Company is not required to appoint a monitoring agency.

Appraising Agency

None of the purposes for which the Net Proceeds are proposed to be utilized have been appraised by any bank or financial institution.

Underwriting

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue of the Equity Shares being offered under the Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 15 (fifteen) days from the Issue Closing Date. If there is any delay in the refund of the subscription amount of more than 8 (eight) days after our Company becomes liable to pay the subscription amount (i.e. 15 (fifteen) days after the Issue Closing Date), our Company shall pay interest for the delayed period, at such rates as prescribed under the Companies Act, 2013.

FILLING OF THIS LETTER OF OFFER:

The copy of this Letter of Offer has been filed with the Corporation Finance Department of SEBI, located at Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400051 India for the purpose of their information and dissemination on its website in terms of the provisions of the SEBI ICDR Regulations.

ISSUE SCHEDULE:

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

Issue Opening Date	Friday, February 28, 2020
Last Date for request for Split Application Forms	Friday, March 06, 2020

Issue Closing Date	Friday, March 13, 2020
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The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not be kept open in excess of 30 (thirty) days from the Issue Opening Date.

CAPITAL STRUCTURE

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

(Rs. in Lakh, except the shares data)

Particulars	Aggregate value at face value	Aggregate value at Issue Price
A. AUTHORIZED SHARE CAPITAL		
1,50,00,000 Equity Shares of Rs. 10 each	1,500.00	-
B. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE		
1,17,39,948 Equity Shares of Rs. 10 each	1,173.99	-
C. PRESENT ISSUE BEING OFFERED TO THE EXISTING EQUITY SHAREHOLDERS THROUGH THIS LETTER OF OFFER⁽¹⁾		
23,47,990 Equity Shares at an Issue Price of Rs. 36 per Equity Share	234.80	845.28
D. ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE ISSUE		
1,40,87,938 Equity Shares of face value of Rs. 10 each fully paid up	1,408.79	5,071.66
E. SECURITIES PREMIUM ACCOUNT		
Before the Issue		291.99
After the Issue		902.47

(1) The Issue has been authorized by a resolution of our Board passed at its meeting held on September 07, 2019, pursuant to Section 62 of the Companies Act, 2013.

(2) Assuming full subscription for and allotment of the Rights Entitlement.

Notes to the Capital Structure:

- Our Company does not have any employee stock option scheme or employee stock purchase scheme.
- Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Letter of Offer, which would entitle the holders to acquire further Equity Shares.

3. Shareholding of Promoter and Promoter Group:

The details of specified securities held by the Promoter and Promoter Group including the details of lock-in, pledge and encumbrance on such securities as on the date of this Letter of Offer are set forth hereunder:

Sr. No.	Name of the Promoter & Promoter Group	No. of Equity Shares held	% of total share capital	Details of Equity Shares pledged/ encumbered		Details of Equity Shares locked-in	
				No. of Equity Shares	% of total share capital	No. of Equity Shares	% of total share capital
1	Shilpan P Patel (Huf)	8,99,316	7.66	-	-	-	-
2	Jigisha S Patel	15,18,503	12.93	-	-	-	-
3	Shilpan Patel	32,26,342	27.48	-	-	-	-
4	Neil S Patel	4,19,810	3.58	-	-	-	-
5	Rishil S Patel	4,20,000	3.58	-	-	-	-
6	Arrow Convertors Pvt. Ltd.	11,96,014	10.19	-	-	-	-

Except as disclosed above, none of the Equity Shares held by our Promoter and Promoter Group are pledged with any bank or institution, locked-in or otherwise encumbered.

4. No Equity Shares have been acquired by the Promoter or members of the Promoter Group in the year immediately preceding the date of this Letter of Offer.

5. Intention and extent of participation in the Issue by the Promoter and Promoter Group

The Promoter and members of the Promoter Group of our Company have, *vide* their letters dated January 09, 2020 ("**Subscription Letters**") indicated their intention to subscribe, jointly and / or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group of our Company.

Further, Shilpan Patel, Promoter of our Company has, *vide* his Subscription Letter, expressed his intention to apply for the Additional Rights Equity Shares along with his Rights Entitlement and / or renunciation and also to subscribe to the unsubscribed portion of the Issue.

The acquisition of Additional Rights Equity Shares by the Promoter and Promoter Group, if any, shall not result in change in control of the management of the Company and shall be in accordance with the provisions of the SEBI Takeover Regulations and shall not result in breach of the minimum public shareholding requirements stipulated under the SEBI Listing Regulations.

As such, other than meeting the requirements indicated in the chapter titled "Objects of the Issue" at page 90 of this Letter of Offer, there is no other intention / purpose for the Issue, including any intention to delist our Equity Shares, even if, as a result of any allotment in the Issue to our Promoter and / or the members of our Promoter Group, the shareholding of our Promoter and / or Promoter Group in our Company exceeds their current shareholding.

In case the Rights Issue remains unsubscribed and / or minimum subscription is not achieved, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and the Equity Shareholders and in compliance with the applicable laws.

6. All the Equity Shares of our Company are fully paid-up as on the date of this Letter of Offer. Further, the Equity Shares offered in the Rights Issue shall be made fully paid at the time of their allotment.

7. The ex-rights price per Equity Share arrived in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations is Rs. 48.32 per equity share.
8. Our Company shall ensure that all transaction in securities by the promoter and promoter group between the date of filing of the letter of offer and the date of closure shall be reported to the NSE & BSE where the Securities of the Company are to be listed within 24 hours of such transaction.
9. The details of the shareholders holding more than 1% of the share capital of the Company as on December 31, 2019 are as under:

Sr. No.	Name of Shareholders	No. of Equity Shares held	% of total share capital
1	Shilpan Patel	32,26,342	27.48
2	Jigisha S Patel	15,18,503	12.93
3	Arrow Convertors Pvt. Ltd.	11,96,014	10.19
4	Shilpan P Patel (Huf)	8,99,316	7.66
5	Rishil S Patel	4,20,000	3.58
6	Neil S Patel	4,19,810	3.58
7	Aquavista Limited	1,76,626	1.50
8	Asutosh Pramodchandra Mehta	1,30,307	1.11
9	Varsha Sharad Shah	1,20,691	1.03

10. Shareholding Pattern of our Company

Shareholding Pattern of the Equity Shares of our Company as per the last filing with the Stock Exchange, i.e., as on December 31, 2019 is as under:

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Table I - Summary of Shareholding Pattern

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class X	Class Y								
(A)	Promoter and Promoter Group	6	76,79,985	-	-	76,79,985	65.42	76,79,985	-	76,79,985	65.42	-	-	-	-	-	76,79,985

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form (XIV)		
								No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)			No. (a)	As a % of total Shares held (b)
								Class X	Class Y									
(B)	Public	8,775	40,59,963	-	-	40,59,963	34.58	40,59,963	-	40,59,963	34.58	-	-	-	-	-	-	37,73,936
(C-)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category (I)	Category of shareholder (II)	Nos. of share holders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form (XIV)		
								No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)			No. (a)	As a % of total Shares held (b)
								Class X	Class Y									
(C-1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C-2)	Shares held by Employee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form (XIV)		
								No. of Voting Rights	Total as a % of (A+B+C)	No. (a)			As a % of total Shares held (b)	No. (a)			As a % of total Shares held (b)	
								Class X	Class Y	Total								
	Trusts																	
	Total	8781	1,17,39,948	-	-	1,17,39,948	100.00	1,17,39,948	-	1,17,39,948	100.00	-	100.00	-	-	-	-	1,14,53,921

Table II - Statement showing Shareholding Pattern of the Promoter and Promoter Group

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
(1)	Indian																	
(a)	Individual / Hindu Undivided																	

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
									Class X	Class Y	Total								
	Family																		
	Shilpan P Patel (Huf)		1	8,99,316	-	-	8,99,316	7.66	8,99,316	-	8,99,316	7.66	-	7.66	-	-	-	-	8,99,316
	Jigisha S Patel		1	15,18,503	-	-	15,18,503	12.93	15,18,503	-	15,18,503	12.93	-	12.93	-	-	-	-	15,18,503

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
	Shilpan Patel		1	32,26,342	-	-	32,26,342	27.48	32,26,342	-	32,26,342	27.48	-	27.48	-	-	-	-	32,26,342
	Neil S Patel		1	4,19,810	-	-	4,19,810	3.58	4,19,810	-	4,19,810	3.58	-	3.58	-	-	-	-	4,19,810

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
	Rishil S Patel		1	4,20,000	-	-	4,20,000	3.58	4,20,000	-	4,20,000	3.58	-	3.58	-	-	-	-	4,20,000
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
(c.)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Any Other (Corporate / Llp)- Arrow Convertors Pvt.	-	1	11,96,014	-	-	11,96,014	10.19	11,96,014	-	11,96,014	10.19	-	10.19	-	-	-	-	11,96,014

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
									Class X	Class Y	Total								
	Ltd.																		
	Sub Total (A-1)		6	76,79,985	-	-	76,79,985	65.42	76,79,985	-	76,79,985	65.42	-	65.42	-	-	-	-	76,79,985
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
		(Not to be Disclosed)							Class X	Class Y	Total							
(c.)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
			(Not to be Disclosed)						Class X	Class Y	Total							
	(specify)																	
	Sub Total (A-2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		6	76,79,985	-	-	76,79,985	65.42	76,79,985	-	76,79,985	65.42	-	65.42	-	-	-	-	76,79,985

Table III - Statement showing Shareholding Pattern of the Public shareholder

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
(1)	Institutions																		
(a)	Mutual Funds		3	19,600	-	-	19,600	0.17	19,600	-	19,600	0.17	-	0.17	-	-	-	-	-
(b)	Venture Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	--

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
	Funds																		
(c.)	Alternate Investment Funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	--
(d)	Foreign Venture Capital Investors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	--
(e)	Foreign Portfolio		2	52,411	-	-	52,411	0.45	52,4	-	52,4	0.45	-	0.45	-	-	-	-	52,411

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
	Investors								11		11								
(f)	Financial Institutions/ Banks		1	1433	-	-	1433	0.01	1433	-	1433	0.01	-	0.01	-	-	-	-	1433
(g)	Insurance Companies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
(h)	Provident Funds/ Pension Funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (Specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)		6	73444	-	-	73444	0.63	7344	-	73444	0.63	-	0.63	-	-	-	-	53844

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
(2)	Central Government/ State Government(s)/ President of India		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non-institutions																		

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
(a)	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.		8123	2426762	-	-	2426762	20.67	2426762	-	2426762	20.67	-	20.67	-	-	-	-	2277035

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs		16	824978	-	-	824978	7.03	824978	-	824978	7.03	-	7.03	-	-	-	-	731278

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
	Asutosh Pramodchandra Mehta		1	1,30,307	-	-	1,30,307	1.11	1,30,307	-	1,30,307	1.11	-	1.11	-	-	-	-	1,30,307
	Varsha Sharad Shah		1	120691	-	-	120691	1.03	120691	-	120691	1.03	-	1.03	-	-	-	-	120691
(b)	NBFCs registered with RBI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c.)	Employee Trusts																		

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
(d)	Overseas Depositories (holding DRs) (balancing figure)																		
(e)	Any Other (Corporates):																		
	HUF		312	181984	-	-	181984	1.55	1819	-	1819	1.55	-	1.55	-	-	-	-	181984

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)						Class X	Class Y	Total									
								84		84									
	Overseas Corporate Bodies		1	1,76,626	-	-	1,76,626	1.50	1,76,626	-	1,76,626	1.50	-	1.50	-	-	-	-	1,76,626
	AQUAVISTA LIMITED		1	1,76,626	-	-	1,76,626	1.50	1,76,626	-	1,76,626	1.50	-	1.50	-	-	-	-	1,76,626
	Non-Resident		188	206700	-	-	206700	1.76	2067	-	2067	1.76	-	1.76	-	-	-	-	199400

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
	Indian (NRI)								00		00								
	Foreign Portfolio Investor (Category - III)		1	100	-	-	100	-	100	-	100	-	-	-	-	-	-	-	100
	Clearing Members		23	10978	-	-	10978	0.09	10978	-	10978	0.09	-	0.09	-	-	-	-	10978

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be Disclosed)							Class X	Class Y	Total								
	Bodies Corporate		105	158391	-	-	158391	1.35	158391	-	158391	1.35	-	1.35	-	-	-	-	142691
	Sub-Total (B)(3)		8769	3986519	-	-	3986519	33.96	3986519	-	33.96	33.96	-	33.96	-	-	-	-	3720092
	Total Public Shareholding (B)= (B)(1)		8775	40,59,963	-	-	40,59,963	34.58	40,59,963	-	40,59,963	34.58	-	34.58	-	-	-	-	37,73,936

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
		(Not to be Disclosed)							Class X	Class Y	Total							
	+(B)(2)+(B)(3)																	

Table IV - Statement showing Shareholding Pattern of the Non Promoter- Non Public shareholder

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of share holder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
		(Not to be Disclosed)							Class X	Class Y	Total							
(1)	Custodian/DR Holder		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Name of DR Holder (if	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of share holder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
		(Not to be Disclosed)							Class X	Class Y	Total							
	available)																	
	Sub total (C)(1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of share holder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
		(Not to be Disclosed)							Class X	Class Y	Total							
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations,		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of share holder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
		(Not to be Disclosed)							Class X	Class Y	Total							
	2014)																	
	Total Non-Promoter- Non		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of share holder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
		(Not to be Disclosed)							Class X	Class Y	Total							
	Public Shareholding (C)= (C)(1)+(C)(2)																	

OBJECTS OF THE ISSUE

Our Company proposes to utilize the net proceeds from the Issue towards funding the following objects.

1. To part finance the acquisition of ancillary residual machinery and equipment for the manufacturing facility of ACT (Anti Counterfeit Thread) in its Ankleshwar Plant;
2. To Fund/provide loan to Wholly owned subsidiary Company, namely, Avery Pharmaceuticals Pvt Ltd, to part finance the manufacturing facility Sanand, Ahmedabad;
3. To part finance Incremental Working Capital;
4. To meet General corporate purposes;
5. To meet the expenses of the Issue.

Collectively, referred to herein as the “objects”.

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

Utilization of Net Proceeds

The details of the proceeds of the Issue are summarized below:

(Rs. In Lakhs)

S. No.	Particulars	Amounts*
1)	Gross Proceeds	845.28
2)	(Less) Issue related expenses*	27.00
3)	Net Proceeds	818.28

UTILISATION OF NET PROCEEDS

We intend to utilise the Net Proceeds from the Issue, in the manner set below:

(Rs. In lakhs)

S. No.	Particulars	Amounts	% of gross proceeds	% of Net proceeds
1.	To part finance the acquisition of ancillary residual machinery and equipment for the manufacturing facility of ACT (Anti Counterfeit Thread) in its Ankleshwar Plant.	100.00	11.83	12.22
2.	To Fund/provide loan to Wholly owned subsidiary Company, namely, Avery Pharmaceuticals Pvt Ltd, to part finance the manufacturing facility Sanand, Ahmedabad.	300.00	35.49	36.66
3.	To part finance incremental Working Capital of the Company.	250.00	29.58	30.55
4.	To meet General corporate purposes.	168.28	19.91	20.57
5.	To meet the expenses of the Issue.	27.00	3.19	3.30
	Total	845.28	100.00	103.30

Schedule of implementation/ Utilization of Issue Proceeds

Our Company proposes to deploy the Net Proceeds in the aforesaid objects as follows:

(Rs. In lakhs)

Sr. No.	Particulars	Amount Proposed to be Deployed from Issue Proceeds	Estimated Schedule of Deployment of Net Proceeds	
			FY 2019-20	FY 2020-21
1.	To part finance the acquisition of ancillary residual machinery and equipment for the manufacturing facility of ACT (Anti Counterfeit Thread) in its Ankleshwar Plant.	100.00	-	100.00
2.	To Fund/provide loan to Wholly owned subsidiary Company, namely, Avery Pharmaceuticals Pvt Ltd, to part finance the manufacturing facility Sanand, Ahmedabad.	300.00	192.96	107.04
3.	To part finance incremental Working Capital of the Company.	250.00	-	250.00
4.	To meet General corporate purposes.	168.28	-	168.28
5.	To meet the expenses of the Issue.	27.00	27.00	-
	Total	845.28	219.96	625.32

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, Our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

MEANS OF FINANCE:

Our Company proposes to meet the entire funding requirements for the proposed objects of the Issue from the Net Proceeds. Therefore, our Company is not required to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

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

Any amount, deployed by our Company out of internal accruals towards the aforementioned objects till the date of receipt of Issue Proceeds shall be recouped by our Company from the Issue Proceeds of the Issue. In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “Risk Factors” beginning on page 20 of this Letter of offer.

DETAILS OF THE OBJECTS

The details of the objects of the Issue are set out below:

1. TO PART FINANCE THE ACQUISITION OF ANCILLARY RESIDUAL ANCILLARY MACHINERY AND EQUIPMENT FOR THE MANUFACTURING FACILITY OF ACT (ANTI COUNTERFEIT THREAD) IN ITS ANKLESHWAR PLANT.

Our Company, Arrow Greentech Limited, an ISO 9001:2015 certified company is one of the leading dealer, manufacturer and exporter of Biodegradable Water Soluble Films. Company has also ventured into the manufacturing and marketing of Pharmaceutical products, Bio Compostable Resins and security products through its subsidiary and joint venture companies. Company’ registered office is in Mumbai and other offices at Ankleshwar, Ahmedabad and Scunthorpe, United Kingdom.

Our manufacturing facility is situated at Plot No. 5310/5311, G.I.D.C. Ind. Estate, Ankleshwar - 393 002, is around 350 kms from Mumbai and 700 kms from Kandla Sea Port and has a current installed capacity of 500 MT p.a. of Water Soluble Films and certain innovative/patented products like ACT (Anti Counterfeit Thread) and Bio Compostable products in anticipation of business growth in future.

Our Company is investing in a high technology plant to manufacture Anti Counterfeit Threads (ACT) and security films and will also commercialize our patents in this field.

Details of New Manufacturing Unit i.e. ACT (Anti Counterfeit Thread) Project:

ACT is a high technology anti counterfeit thread. It entails multiple facet of metalizing, demetallising, holography, nano printing, nano security elements, functional coatings and lamination. Precision sensor based micro slitting is also a high tech process need to achieve final product. There are very few manufacturers of this product worldwide.

A state of the art purpose built factory, with very high security, has been put in place in Ankleshwar. The factory has security measures which match European Standards. The manufacturing is totally automated and the best manufacturing practices are being followed. Company expect to qualify for exports to various countries and supply majorly to Indian Clients.

As every client has special needs, we plan to augment our technology and add new capital expenditure, QC Systems, Sensors, and converting equipment, so as to qualify for multiple high end clients for high end products. Presently the company is fully equipped to cater to the needs of various Indian Clients, and going forward, the company plans to invest in additional equipment and high technology materials, including high R&D to cater to our European, African and Asian customers.

The outcome products being very confidential, is being designed to be used in Security Papers, Tax Stamps, and machine readable threads for brand protection of high value perfumes, cigarettes etc. and brand protection in general. The plant can also be used for printing complex images and other high value printed films.

Estimated Production Capacity:

Annual estimated capacity is 30,000 square kms.

Raw Material / Tools

The Raw Material/ Tools compatible for our product are available in the domestic and international market and the required raw material for manufacturing consist the following:

Raw Material

- Polyester Film (Metalized, Clear and Dyed)
- Security dyes and pigments
- Non-security dyes and pigments
- Solvents
- Printing Inks
- Laquer Coatings
- Adhesives for lamination

Tools:

- Slitting Knives (macro and micro slitters)
- Printing Cylinders
- Printing Plates (rigid and flexible)
- Spools (custom made)
- Rewinding Tubes (Cores) (HDPE, Steel, Paper)

Packaging Materials:

- Packaging Film
- Packaging Boxes
- Bubble wrap film
- Tapes
- Strappings
- Labels

Commencement of Production:

Our plant is partially operational and till date we have executed few small orders. Recently, we have installed bigger high-tech printing machine, lamination machine and other ancillary machines to take care of bigger orders.

The manufacturing process is highly customized and the technology is patent controlled. Major machinery includes Printing Machine, Lamination Machine, Micro Slitting Machine, Slitting Machine, Laboratory Equipment, Quality Control and Quality Assurance Equipment and other Accessories etc.

The plant is being funded through internal accrual and payment for entire building, super structure and plant & machinery and various other equipment is made from internal accruals except borrowings of Rs. 5.25 Crores for procurement of Printing Machine and out of proceeds of this issue.

Details of licenses/ approvals for the manufacturing facility

Our Company has received Certificate to Establish (CTE) for this project and Certificate to Operate (CTO) is yet to be received.

Some of the Machineries have already been purchased and small machinery and accessories are yet to be purchased and installed as given below. Our Company proposes to acquire following Machinery and accessories aggregating to Rs. 100.00 Lakhs the details of which are as follows:

S.No.	Description of Machinery/Equipment	Qty	Rates (in Lakhs)	Amount (In Lakhs)	Supplier
1	Slitting rewinding machine Primaslit® RL 1100 MM Web Width and Trim Winding Unit for compact accumulation of generated trim in reel form.	1	65.05	65.05	SP Ultraflex Systems (P) Ltd, Quotation date:27.12.2019
2	Hydraulic Cylindrical Grinding Machine (Model - BMTU/300/130/H)	1	6.98	6.98	Bhavya Machine Tools Quotation date: 26.12.2019
3	CO2 System and other miscellaneous systems/Equipments	-	15.97	15.97	Based on management estimates
Total				88.00	

We do not propose to purchase any second hand Machinery in the proposed project.

Preliminary and Pre-Operative Expenses

Pre-operative and preliminary expenses mainly consist of start up and trial run expenses, establishment and project management expenses, engineering and consultancy fees, upfront fees, etc. The pre operative and preliminary expenses as estimated by the management would be Rs. 6.00 Lakhs.

Provision for Contingencies

In the event of any cost overruns due to any changes in quoted prices of plant & machinery for which orders have not yet been placed, or on account of time variation, transportation cost, insurance, unexpected price rise due to factors beyond our control, contingencies have been provided to cover any such eventuality which may occur. Contingencies of Rs. 6.00 Lakhs have been estimated, which is approximately 6.82% of the cost of plant & machinery.

2. TO PROVIDE LOAN TO WHOLLY OWNED SUBSIDIARY COMPANY, NAMELY, AVERY PHARMACEUTICALS PVT LTD, FOR PART FINANCE THE MANUFACTURING FACILITY SANAND, AHMEDABAD

Our Wholly Owned Subsidiary Company namely, Avery Pharmaceuticals Private Limited (APPL) is setting up a manufacturing facility at Sanand Ahmedabad for manufacturing of Mouth dissolving strips. Mouth dissolving strips are manufactured using Company's Actives Embedded Water Soluble Films method (Patent No: 200301(India), AU2002356417 (Australia), 2004/3259 (South Africa), AU2012201719(Australia Divisional Patent), US9744695 (United States of America), AU2016200888 (Australia Divisional Patent). Entire manufacturing facility is designed based our Company patented technology.

Our Company proposes to provide loan Rs. 300.00 lakhs to APPL to part finance the setting up a manufacturing facility at Plot No. 12,13,14 -Shubh Laxmi Industrial Estate, Opp. Eye Hospital, Sanand Viramgam Highway, Sanand, Ahmedabad 382110, Gujarat, India which has been taken on lease for a period of 10 (Ten) years vide supplementary lease agreement dated 30th March, 2019 with Mr. Dharmesh Jayantilal Patel, Prop of M/s. Dharmesh Oil Mill.

Products details:

Mouth Dissolving Strips (MDS) are an innovative and technologically advanced mode of oral drug administration. These strips resemble a postage stamp in size, shape and thickness. The strip is simply placed on the tongue, where it dissolves upon contact with saliva and thus requires no additional water or chewing. The drug is effectively absorbed by highly permeable buccal mucosa, which allows the drug a direct entry into the systemic circulation bypassing first pass metabolism; thereby potentiating the drug's actions.

MDS as a drug delivery system is way more suitable than conventional tablets and capsules because it eliminates the risk of choking (dysphagia), masks the bitterness of the drug with added approved flavors, increases drug stability and shelf life, offers more accurate dosing, and also has a lower excipient load.

These strips are highly suitable for patients like pediatric, geriatric, bedridden, unconscious, and mentally challenged and it also benefit those patients that suffer from dysphagia/Odynophagia.

Details of Machinery:

The facility is installed with advanced German make coating & casting machinery in a clean room environment for production of quality MDS. The Coating machines are capable of producing MDS with flexible coating dimensions. Major machinery includes coating and casting machines, slitting and packing machines, batch preparation unit, other ancillary equipment and other set up as per WHO GMP requirements. This facility also has state of art F&D lab to take care of future developments of new products and quality control and quality assurance of production.

Our Company proposes to provide a loan of Rs. 300.00 lakhs to Avery pharmaceuticals Pvt. Ltd. out of net proceeds of the issue.

Estimated Production Capacity: Installed Manufacturing capacity of the plant is 100 mn mouth dissolving strips per annum.

Raw Material / Tools:- Active Pharmaceutical Ingredients and other Excipients e.g. Film forming polymers, Plasticisers, Flavours, Sweeteners and Colours.

Details of Commencement of Manufacturing Facility:- Project execution of state of art manufacturing facility of our pharmaceutical films is going on fast pace. Basis current status, we are expecting that plant should be ready for operation by March, 2020.

Details of licenses/ approvals for the manufacturing facility:- Certificate to Establish (CTE) has been received from Gujarat Pollution Control Board (GPCB) and Site Plan approval received from (Foods & Drugs Control Administration (FDCA).

Details of Loans to be provided:

The Board of Directors of Arrow Greentech Limited (Holding Company) has approved, on 18th May, 2019 to provide loan to Avery Pharmaceutical Pvt. Ltd. (Subsidiary Company) upto Rs. 1,500.00 Lakhs for financing

the principle business activities of APPL. APPL will repay the loan from its internal accrual after commencement of commercial operation.

APPL proposes to utilize the funds out of the loan provided by our Company for acquisition of following machineries and construction of civil work:

S.No.	Description	Qty	Rates (in Lakhs)	Amount (In Lakhs)	Supplier
1	Quality Control, Quality Assurance, Laboratory Equipment	-	69.34	69.34	Ultra scientific Instruments Co. Quotation dated: 18.11.2019 & 27.12.2019
2	Air Handling Unit (AHU) & Ductable Split AC Unit (DSAC)	-	86.81	86.81	Clean Air Engineers Quotation/Invoice dated: 26.11.2018 and 10.05.2019 and others
3	Reactor & accessories	-	32.75	32.75	Kothari Pharma Technologies Pvt Ltd, Quotation dated: 19.12.2019 & Mettler Toledo India Pvt Ltd. Quotation dated 23.11.19
4	Racking System	60	0.19	13.24	Prince Fabrications Quotation dated: 31.12.2019
5	Computer peripherals	25	-	17.77	Triangle Technologies Quotation dated: 31.12.2019 & Soham ERP solution Quotation dated 31.12.2019
6	Lab Furniture	-	-	13.92	Citizen Industries Quotation dated 02.07.2019
7	Construction of civil works at factory premises	-	40.00	40.00	Management Estimates
8	Miscellaneous Installation	-	-	8.17	Management Estimates

S.No.	Description	Qty	Rates (in Lakhs)	Amount (In Lakhs)	Supplier
	charges /Equipments.				
	Total			282.00	

Provision for Contingencies

In the event of any cost overruns due to any changes in quoted prices of plant & machinery and others for which orders have not yet been placed, or on account of time variation, transportation cost, insurance, unexpected price rise due to factors beyond our control, contingencies have been provided to cover any such eventuality which may occur. Contingencies of Rs. 18.00 Lakhs have been estimated, which is approximately 6.38% of the cost as per tabled above.

3. TO PART FINANCE INCREMENTAL WORKING CAPITAL REQUIREMENTS OF THE COMPANY.

Our Business is a working capital intensive one and certain unique features of our newer products, nascent stage of market for small products and growing volume of our overall turnover will lead to increased requirement of projected working capital. Accordingly, we have proposed to use Rs. 250.00 Lakhs out of the issue proceeds to meet the increase in long term working capital requirements.

(Rs. In lakhs)

Sr. No	Particulars	31.03.2019	31.03.2020	31.03.2021
		Audited	Estimated	Projected
A.	Current Assets			
	Inventories	549.92	241.48	793.51
	Trade receivables	703.98	458.76	834.01
	Other current assets	352.05	593.13	401.71
	Total Current Assets	1605.95	1293.37	2029.23
B.	Current Liabilities			
	Trade payable	308.19	293.16	549.48
	Other current liabilities& Provisions	315.48	379.74	420.08
	Total Current Liabilities	623.67	627.90	969.56
C.	Working Capital Gap (A-B)	982.28	665.47	1059.67
	Incremental Working Capital	-	-	394.20
D.	Owned Funds /Internal Accruals/Bank Loan	982.28	665.47	809.67
E.	Working Capital funding through Issue Proceeds	-	-	250.00

As per our estimates we would require Rs. 250.00 Lakhs out of the issue proceeds to meet the working capital requirements.

Justification of Holding Level

Inventories	Higher inventory requirement is in line with increase in projected sales volume from existing business and revenue generation from ACT project.
Trade Receivables	Increase in debtors will be in line with increase in projected sales volume and revenue generation from ACT project.

Trade Payables	Increase in creditors will be in line with increase in projected purchase of goods and services to service higher sales volume for existing business and revenue generation from ACT project.
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4. TO FINANCE THE GENERAL CORPORATE PURPOSE

Our Company proposes to use Rs. 168.28 lakhs towards general corporate purposes, being not exceeding 25% of the gross proceeds of the Issue.

Our Board will have flexibility in applying the amount towards general corporate purposes, including repayment of outstanding loans, meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, advertisement, brand building expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other unforeseen purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilizing any amounts for general corporate purposes in accordance with policies of our Board. The quantum of utilization of funds towards any of the purposes mentioned above will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 27.00 Lakhs.

Particulars	Amount (Rs. in Lakhs)	% of Total Issue Expenses	% of Total Issue Size
Issue management fees, Payment to other intermediaries such as Legal Advisors, Registrars etc.	10.75	39.81	1.27
Printing & Stationery, Distribution, Postage, etc.	3.00	11.11	0.35
Advertisement & Marketing Expenses	1.50	5.56	0.18
Regulatory & other expenses	7.60	28.15	0.90
Miscellaneous Expenses	4.15	15.37	0.49
Total	27.00	100.00	3.19

Details of funds already deployed till date and sources of funds deployed

The funds deployed up to 31st December, 2019 pursuant to the object of this Issue as certified by M/s. J.A. Rajani & Co., Chartered Accountants pursuant to their certificate dated 10th January, 2020 is given below:

Deployment of funds	Amount (Rs. In Lakhs)

Deployment of funds	Amount (Rs. In Lakhs)
Issue Related Expenses	2.75
Object Related Expenses	132.96
Total	135.71

Sources of funds	Amount (Rs. In Lakhs)
Internal Accruals	135.71
Bank Finance	-
Total	135.71

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds.

APPRAISAL BY APPRAISING AGENCY

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs. 10,000 lakhs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a Quarterly yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year.

Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a Quarterly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Letter of offer.

CONFIRMATION REGARDING PURCHASE OF SECOND-HAND EQUIPMENT AND MACHINERY

No second-hand equipment and machinery is proposed to be purchased by our Company from the Net Proceeds.

OTHER CONFIRMATIONS

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, associates or Key Management Personnel, except as stated above and in the normal course of business and in compliance with applicable.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
Arrow Greentech Limited
Bldg No. 3, Solitaire Corporate Park, 7th Floor,
Unit No. 372, Guru Hargovindji Marg, Chakala,
Andheri (East), Mumbai, Maharashtra, 400093.

Dear Sirs,

Subject: Proposed Rights Issue of equity shares with a Face value of Rs. 10/- each by Arrow Greentech Limited (the “Company”) (the “Issue”)

We report that the enclosed statement in Annexure A, states the possible direct tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961, as amended by the Finance Act, 2019 (“Act”), i.e. applicable for the Financial Year 2019-20 relevant to the assessment year 2020-21. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Rights Issue. Neither are we neither suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with and
- iii) the revenue authorities/courts will concur with the views expressed herein

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

We also consent to the references to us as “Experts” under section 26 of the Companies Act to the extent of the certification provided hereunder and included in the Letter of Offer and Letter of Offer of the Company or in any other documents in connection with the Rights Issue.

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

For M/s. Haribhakti & Co LLP
Chartered Accountants
Sd/-
Snehal Shah
Partner
Firm Registration No.: 103523W/W100048
Date: 6th January, 2020
Place: Mumbai

Annexure

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

The information outlined below sets out the special tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the direct tax laws in force in India (i.e. applicable for the Financial Year 2019-20 relevant to the assessment year 2020-21). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.

Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may or may not choose to fulfill.

I Special Tax Benefits available to the Company under the Act:

There are no special tax benefits available to the Company.

II. Special Tax Benefits available to the Shareholders under the Act:

There are no special tax benefits available for the shareholders of the Company under the provisions of the Act.

Notes:

1. The above Statement of Special Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis;
2. The above Statement of Special Tax Benefits sets out the Special Tax Benefits available to the Company and its shareholders under the current tax laws presently in force in India;
3. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer;
4. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile; and the above stated Special Tax Benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.
5. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
 - Company or its shareholders will continue to obtain these benefits in future;
 - Conditions prescribed for availing the benefits have been/ would be met with;
 - The revenue authorities/courts will concur with the view expressed herein; and
 - The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.

SECTION V - ABOUT OUR COMPANY

HISTORY AND OTHER CORPORATE MATTERS

HISTORY & BACKGROUND

Our Company, Arrow Greentech Limited, an ISO 9001:2015 certified company is one of the leading dealer, manufacturer and exporter of Biodegradable Water Soluble Films. Company has also ventured into the manufacturing and marketing of Pharmaceutical products, Bio Compostable Resins and security products through its subsidiary and joint venture companies. Company' registered office is in Mumbai and other offices at Ankleshwar, Ahmedabad and Scunthorpe, United Kingdom.

Our manufacturing facility is situated at Plot No. 5310/5311, G.I.D.C. Ind. Estate, Ankleshwar - 393 002, is around 350 kms from Mumbai and 700 kms from Kandla Sea Port and has a current installed capacity of 500 MT p.a. of Water Soluble Films and certain innovative/patented products like Anti Counterfeit Threads) and Bio Compostable products in anticipation of business growth in future.

Water Soluble Film is a smart solution to the environmental hazards faced by various industries. Water Soluble Film has a wide range of applications such as Packaging solutions, Embroidery, Detergent capsules, Health Care, Laundry Bags, Transfer Printing etc. Various grades of Water Soluble Film are formulated by Team Arrow; this include Cold water soluble (soluble in less than 10 C), Hot water Soluble (More than 40 C), Edible Films and Packaging Films (barrier coated, mostly non-soluble, bio degradable). True to its name, Arrow will remain a company committed to Green and ethical products.

We are also in the business of Intellectual Property Rights (IPR) and consider them as important assets that provide market dominance and continuing long term revenue for the company. We have invested diligently in obtaining IPR's for the Company. We have 39 (Thirty Nine) patents registered worldwide in Company's name and 1 (one) patent in name of our associate Company in the UK. These patents are granted in various countries including India, Australia, UK, USA, Europe, South Africa Russia, Eurasia, based on our strategic interests and marketing research. These patents are based on our core technology and expertise in coating and casting polymers and serve various industry clusters like Health & Hygiene, Security Products, Green Packaging, Self Adhesive materials, Paper, etc. forming part of the value chain such as Pharmaceuticals, Agro chemicals and Packaging. These patents enable our Company to be the sole manufacturer of these patented products and allow it to earn royalties in relevant fields or industry clusters, by way of out-licensing the technology and revenues from technology transfers and technology usage charges.

Our Company is in process of setting up manufacturing facility in Sanand, Ahmedabad in the name of Avery Pharmaceuticals Pvt Ltd, a wholly owned subsidiary and manufacture Company's patented technology of water soluble film as Mouth Dissolving strips (MDS), a new drug delivery system (NDDS). Mouth Dissolving Strips (MDS), an IP protected innovative technologies, which involves embedding actives into or upon water soluble film in any form. Once dissolved, it will release the actives in precise quantity. These actives can be in various forms, like mouth freshening menthols, Active Pharma ingredients etc. With MDS, we aim to foray into major therapeutic segments such as Cardiac, Diabetes, CNS, Gastro intestinal, Gynecology, and Nutraceuticals to make a substantial difference in the way patients receive their doses.

Our Company is also investing in a high technology plant to manufacture Anti Counterfeit Threads (ACT) and security films and will also commercialize our patents in this field.

Our Company has strong clientele in the agro chemical industry, as a preferred supply chain partner, whereby orders for our products are placed by the Customers based on pre-tested and time tested compatible samples provided. The method of distribution is the age old method of B to B sales which is inexpensive, less time consuming and more cost effective. Our Company also has target to enter into B2C product lines, with continuous focus on products which leverage the WSF and/or patented technologies.

CHANGES IN REGISTERED OFFICE

Upon incorporation, the Registered Office of our Company was at 159, Mittal Ind. Estate, “Sanjay”, Building No. 5-B, Marol Naka, Andheri Kurla Road, Andheri (E), Mumbai - 400 059. Thereafter, our Company has shifted the Registered Office, the details of which are set out below:

Date of Change of Registered Office	Old Address	New Address	Reason for Change
30 th June, 2005	159, Mittal Ind. Estate, “Sanjay”, Building No. 5-B, Marol Naka, Andheri Kurla Road, Andheri (E), Mumbai - 400 059	5-D, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053	Administrative
19 th October, 2015	5-D, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053	Solitaire Corporate Park, Bldg No 3, 7th Floor, Unit No 372, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai 400 093	Administrative

CHANGES IN NAME OF COMPANY

Date of Change of Name	Old Name	New Name
26 th February, 2016	Arrow Coated Products Limited	Arrow Greentech Limited

MAIN OBJECTS OF OUR COMPANY

Our main objects as contained in our Memorandum of Association are as under:

- To carry on business of manufacturing , buying, selling, importing, exporting, and dealing in Green Technology products, environment friendly machines, equipments, patterns, products and services including such products & services which are concerning saving earth’s renewable resources and to manufacture, import, export and otherwise deal in coated paper, films and other coated products.
- To apply for, purchase or otherwise acquire any patents, patent rights, copy rights, trade marks, formulae, licenses, concessions and the like or any secret or other information, inventions, subject to royalty or otherwise, and whether exclusive or nonexclusive, limited and/ or any part interest in such intellectual property rights and privileges and to litigate, defend, or take such actions against infringements, defiance, revocation or to protect prolong and renew legal rights and claims on intellectual property rights , whether in India or elsewhere, any trademarks, patents, patents rights, brevets, invention, licenses, protections, concessions and the like, conferring any exclusive or non-exclusive or limited right to use any secret or other information as to any invention which may seem capable of being used for any of the purpose of the Company or which may appear likely to be advantageous or useful to the Company and to use, exercise develop, turn to account and manufacture and to grant licenses or privileges in respect of the same and to spend money in experimenting upon and testing and improving or seeking to improve any patents, inventions, secrets or rights which the Company may acquire or propose to acquire or being interested in as licensee or otherwise.

CHANGES IN THE CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION

Sr. No.	Particulars of Change		Date of Shareholders' Meeting	Meeting AGM/EGM
	From	To		
1	-	50,000 Equity Shares of Rs. 10 each	-	Incorporation
2	50,000 Equity Shares of Rs. 10 each	50,00,000 Equity Shares of Rs. 10 each	25 th April, 1994	EGM
3	50,00,000 Equity Shares of Rs. 10 each	1,00,00,000 Equity Shares of Rs. 10 each	26 th February, 2007	EGM
4	1,00,00,000 Equity Shares of Rs. 10 each	1,20,00,000 Equity Shares of Rs. 10 each	29 th September, 2009	AGM
5	1,20,00,000 Equity Shares of Rs. 10 each	1,50,00,000 Equity Shares of Rs. 10 each	29 th September, 2014	AGM

MAJOR EVENTS AND MILESTONES

YEAR	PARTICULARS
1992	Incorporation of the Company in the name and style of "Arrow Coated Products Limited".
1992	The Company entered into a technical collaboration with M/s. Foil Mark Inc., USA for the production of Hot Stamping Foil.
1993	The Company took over the assets of its group Companies -i.e. M/s. Patel Paper Company and M/s. Rishil Exports, M/s. Patel Paper Company was in the business of Packaging and Printing Machines, while M/s. Rishil Exports was in the business of Extrusion Coated Products and Stamping Foils.
1993	Commercial Production of Hot Stamping Foil and printing machines started with an initial capacity of 145 Lac Sq MT per annum.
1994	The Company came out with a public issue of Rs. 448 lacs to fund its capacity expansion of Manufacturing of Hot Stamping Foils at Silvassa and Ankleshwar.
2000	The Company discontinued the production of HSF during the year. Since HSF was a transferred technology from Foil Mark Inc. With the takeover of Foil Mark Inc. by ITW the technology transfer was not being implemented as promised. Also, the imports from China and unorganized local production made the business less viable.
2000	The Company started full scale production of Water Soluble Films in the Company factory situated at Ankleshwar, Gujarat by using a casting process on detachable liners. The initial capacity for the production of WSF was 24 metric tons per annum.

YEAR	PARTICULARS
2000	The Company was awarded with the India Star Award of Water Soluble Film Bags
2003	The Company installed a commercially viable casting machine to produce Water Soluble Film.
2004	The Company recommended its first dividend of 7.5%.
2004	The Company was granted its 1st Patent in South Africa for Manufacturing Process of Embedded Water Soluble Film Carrier.
2004	The Company established M/s. Arrow Coated Products (UK) Ltd., a wholly owned subsidiary of Arrow Coated Products Ltd for marketing its products and widening its geographical presence.
2005	The Company entered into a Joint Venture with Nagra ID for RFID Lab & Smart Card technology and with Stanel co & Adept for Blown WSF.
2005	The Company obtained ISO 9001:2000 certificate issued from American Global Standard India
2006	The Company was granted 3 patents during the year, of which 2 were granted in India and 1 in United Kingdom.
2007	The Company was granted patent for Ink Jet Printing with hydrophobic solvent based Ink in India. The Company issued 11, 99,623 Convertible Preferential Warrants of Rs.50/- each to both Promoters & Non-Promoters group.
2008	The Company was granted 3 patents during the year, of which 2 were granted in India and 1 in South Africa.
2009	Arrow UK purchased stake in Advance IP technologies Limited, a UK based company.
2009	The Company decided to discontinue the trading business of Capital Goods (Digital Printing Machine) and turned its focus towards knowledge based activities such as WSF and related patented technology based products, Security Products and Mouth Melting Strips (MMS).
2009	The Company was granted 6 patents during the year, of which 2 were granted in India & South Africa each, 1 in Australia & Eurasia each.
2010	The Company was granted 5 patents during the year in Europe, United States and India.
2011	The Company was granted 1 patent in Russia during the year.
2012	The Company came out with a Rights Issue of Rs. 535.02 Lacs along with Convertible Detachable Warrants.
2012	The Company was granted 6 patents during the year. (3 patents in India, 2 patents in Europe and 1 patent in United State)
2013	The Company converted detachable warrants into equity shares.
2013	The Company was granted 1 patent in Australia during the year.
2014	The Company was granted 1 patent in United State during the year.
2014	The Company was granted 1 patent in United State during the year.

YEAR	PARTICULARS
2015	The Company's shares listed on National Stock Exchange of India Limited
2016	The Company's name was changed from "Arrow Coated Products Limited" to "Arrow Greentech Limited"
2016	The Company was granted 2 patents during the year. (1 patent in Australia and 1 patent in United State)
2017	Expansion of water soluble film production capacity in Ankleshwar.
2017	Incorporated wholly owned subsidiary Company namely, Avery Pharmaceuticals Private Limited.
2017	Incorporated Subsidiary Company namely, LQ Arrow Security Products (India) Private Limited.
2017	The Company was awarded with 2nd Clean India Award for Best Innovation Chemicals
2017	The Company was awarded with Indian Plastics Institute for Memory of Appreciation Innovation Pavilion 10th Plastivision India 2017 at Mumbai
2017	The Company was granted 5 patents during the year. (1 patent in India, 1 patent in Australia 1 patent in United State and 2 patents in Europe)
2018	The Company was granted 2 (Two) patents in India during the year.
2018	The Company had sold 49% stake of Subsidiary Company namely LQ Arrow Security Products (India) Private Limited to a foreign company namely, Landqart AG, Switzerland.
2019	The Company was win National Intellectual Property Award 2019 in the Category of Top Indian Company (MSME) for Patents & Commercialization.
2019	Fire accident happened in one of the manufacturing unit of the Company's factory 5311, GIDC situated at Ankleshwar on October 30, 2019

HOLDING COMPANY OF OUR COMPANY

Our Company has no holding Company as on the date of filing of this Letter of offer.

SUBSIDIARY OF OUR COMPANY

Our Company has following Subsidiary Companies as on the date of filing of the Letter of offer:

Indian Subsidiaries:

- Arrow Secure Technology Private Limited
- Avery Pharmaceuticals Private Limited
- LQ Arrow Security Products (India) Private Limited

Foreign Subsidiary:

- Arrow Green Technologies (UK) Limited

- Advance IP Technologies Limited (Step down Subsidiary)

DETAILS OF PUBLIC/RIGHT ISSUES MADE IN THE PAST FIVE YEARS

Our Company has not come with any Public/ Right Issue in the past five years from the date of this Letter of offer.

ACCUMULATED PROFITS OR LOSSES NOT ACCOUNTED FOR

The accumulated profits or losses of our Subsidiary(ies), have been accounted for by our Company in the Audited financial statements for the financial year 2018-19/Unaudited Financials result for the half year ended 30th September, 2019 of our Company included in this Letter of offer.

SHAREHOLDERS' AGREEMENT

Our Company has not entered into any shareholders agreement as on date of Letter of offer.

OTHER MATERIAL CONTRACTS

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

COLLABORATION

Our Company has not entered into any technical collaboration with any third party except one supply and technical collaboration with Proquimia, Spain and Biotec, Germany.

PARTNERSHIP FIRMS

Our Company is not a partner in any partnership firm.

REVALUATION OF ASSETS

Our Company has not revalued its assets in the past five years from the date of this Letter of offer.

FINANCIAL PARTNER

Our Company does not have any financial partner as on the date of filing of the Letter offer.

INJUNCTIONS OR RESTRAINING ORDERS

There are no injunctions / restraining orders that have been passed against the Company.

JOINT VENTURES

LQ Arrow Security Products (India) Pvt. Ltd. is a Joint Venture Company, where Arrow Greentech Ltd. holds 51% stake.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Letter offer.

NUMBER OF SHAREHOLDERS

Our Company has Eight Thousands Eighty one (8781) shareholders as on 31st December, 2019.

OUR MANAGEMENT

Board of Directors

As per the Articles of Association, our Company is required to have not less than 3 (three) and not more than 14 (Fourteen) Directors on our Board of Directors.

Currently, our Company has 7 (Seven) Directors on our Board, comprising of 2 (two) Executive Directors, and 5 (five) Independent Directors including one Woman Director. The composition of the Board of Directors is governed by the provisions of the Companies Act and the SEBI Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India.

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Date of Birth	Status of Directorship in our Company	Other Directorships
1. Mr. Shilpan Patel S/o Mr. Pravin M Patel 303-A, Suman Apartments, Lokhandwala, Andheri (W), Mumbai - 400053 Occupation: Business Nationality: Indian Tenure: Three years from 13 th September, 2017 DIN: 00341068 PAN: AGAPP4652K	25 th July 1956	Chairman and Managing Director	1. Grace Paper Industries Pvt Ltd 2. Arrow Agri-Tech Private Limited 3. Sparrow Biopolymer Products Private Limited 4. Arrow Convertors Private Limited 5. Arrow Secure Technology Private Limited 6. Avery Pharmaceuticals Private Limited 7. LQ Arrow Security Products (India) Private Limited
2. Mr. Neil Patel S/o Mr. Shilpan Patel 303-A, Suman Apartments, Lokhandwala, Andheri (W), Mumbai - 400053 Occupation: Business Nationality: Indian Tenure: retire by rotation DIN: 00607101 PAN: AKRPP8491M	20 th January 1986	Joint Managing Director	1. Avery Bio-Degradable Products Private Limited 2. Arrow Agri-Tech Private Limited 3. Sphere Bio-Polymer Private Limited 4. Arrow Convertors Private Limited 5. Arrow Secure Technology Private Limited 6. Avery Pharmaceuticals Private Limited 7. LQ Arrow Security Products (India) Private Limited 8. Advance Iris Security Products Private Limited
3. Mr. Haresh Mehta S/o Mr. Chhotalal Mehta Jayant House, Bail Bazar, Kurla-Andheri Road, Kurla (West), Mumbai - 400 070 Occupation: Professional Nationality: Indian	13 th July 1953	Independent Director	1. Jayna Packaging Private Limited

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Date of Birth	Status of Directorship in our Company	Other Directorships
Tenure: Five Years from 1 st April, 2015 DIN: 00376589 PAN: AAEPM9498E			
4. Mr. Harish Mishra S/o Mr. Bhalbhadra Prasad Mishra Flat No. 304, Bluebell Bldg No. 8, Mhada, Oshiwara, Andheri(West), Mumbai - 400 053 Occupation: Professional Nationality: Indian Tenure: Five Years from 1 st April, 2019 DIN: 05301127 PAN: AAJPM2790E	12 th April 1950	Independent Director	1. Arrow Secure Technology Private Limited
5. Mr. Dinesh Modi S/o Mr. Shri Navnitlal Modi B/22, Sperry Star CHS Opp - Sushrut Hospital, Eksar Road, Borivali (W), Mumbai - 400091 Occupation: Professional Nationality: Indian Tenure: Five Years from 1 st April, 2019 DIN: 00004556 PAN: AAFPM3811L	21 st November 1950	Independent Director	1. Shree Pushkar Chemicals & Fertilisers Limited 2. Kisan Phosphates Private Limited 3. Shree Yogeshwari Realtors Limited.
6. Ms. Aradhana Singh D/o Mr. Shri Krishnakumar H Singh 3 Uma Society, Vardavinayak Lane, Saivikas Nagar, Jivdani Road, Virar West, Thane - 401303 Occupation: Professional Nationality: Indian Tenure: Five Years from 1 st April, 2018 DIN: 08141485 PAN: BSXPS1361N	24 th October 1985	Independent Director	Nil
7. Mr. Dinkarray D Trivedi S/o Mr. Shri Durgashanker G Trivedi 02, Shanti Niketan, Behind Khadayata Colony, Ellis Bridge, Ahmedabad Gujarat 380006 Occupation: Professional Nationality: Indian Tenure: Five Years from 1 st April, 2017 DIN: 00380306 PAN: ABDPT4807G	15th March, 1932	Independent Director	Nil

Relationship between Directors

None of the Directors are related to each other as per the provisions of the Companies Act, 2013 except that Mr. Shilpan Patel is father of Mr. Neil S Patel.

Brief Profiles of Directors

Mr. Shilpan Patel, aged 63 years, is the Chairman and Managing Director of the Company and holds a Master's degree in Business Administration from Sam Houston State University, Texas, USA. He did his graduation in Commerce from H.L. College of Commerce, Ahmedabad in India. He finished his schooling from St. Xavier's Highschool, Ahmedabad.

In 1979-80, he gained experience in coating industry from Grace Paper Industries Pvt. Ltd and worked there for a period of 9 years.

In 1990, he developed Water Soluble Film, which is a product of indigenous research and has very strong bearing on environment. In the year 2000 the product (Water Soluble Film) won the India Star Award.

He is an inventor and has various patents granted to his credits. These patents have been granted in USA, Europe, South Africa, Australia and India and are based on Water Soluble Films and Green Technologies. These granted patents are assigned to our Company, and are in public domain.

He is in charge of Business Development and Strategic Management of the Company and creating value for all stake holders and society at large. He was last re-appointed as Director on our Board and re-designated as Managing Director of the Company for a period of 3 years w.e. f. September 13, 2017. He has been on the Board since October, 1992.

Mr. Neil Patel aged 33, is Jt. Managing Director of our Company. He has done M. Sc. (Bio Medical Science) from Kingston College, London. He possesses good entrepreneurship skills. He has excellent organizational skills and is inclined to take over the operations of the company. He is associated with the Company since 2009.

He has been appointed to our board for the first time on 1st June 2012 as an Additional Director & confirmed as a Director in subsequent Annual General Meeting. He has been on the Board since June, 2012.

Mr. Haresh Mehta, aged 66 years, is an Independent Director of our Company. He is a graduate in Science. He holds a certificate in Packaging Technology and has also attended a long term programme in London. He is also a Director in Jayna Packaging Pvt. Ltd.

He was appointed on our board for the first time on December 01, 1993 as an Additional Director & confirmed as a Director in subsequent Annual General Meeting. He has been on the Board since December 1993.

Mr. Harish Mishra aged 68, is an Independent Director of our Company. He graduated in Commerce and done M. Com from Jabalpur University in the year 1973. He has vast experience in Advertising and Production. He was associated with ZEE TV.

He has appointed to our board for the first time on 1st June 2012 as an Additional Director & confirmed as a Director in subsequent Annual General Meeting. He has been on the Board since June, 2012.

Ms. Aradhana Singh, aged 34 years, is a lawyer and had done her L.L.B from Mumbai University. Currently she is Independently providing legal consultancy and advisory services. She has vast experience of around 11 years in the field of legal sector. She has been on the Board since May, 2018.

Mr. Dinesh Modi, aged 69 years, is an independent Director of our Company. He is a Company Secretary, and graduated in Commerce and done L.L.B from Bombay University. He has vast experience & knowledge in Finance and Legal & Corporate Sector. Currently, he is practicing as a Corporate Law Advisor. He was associated with Reliance ADA Group.

He is also a member of Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee of the Company. He has been on the Board since August, 2014.

Prof. Dinkarray D. Trivedi, aged 87 years is an Independent Director of the Company. He graduated in Arts (Economics Honors) and done M.Com from Gujarat University, Ahmedabad. Currently he is a Management Consultant Focusing on Corporate Planning, Enterprise Transfer and Strategy Formulation. He has vast experience in teaching field and has taught in H. L. College of Commerce in Ahmedabad, Indian Institute of Management, Ahmedabad, Management Development Institute, New Delhi, UTI Institute of Capital Markets, Navi Mumbai, Ahmedabad Management Association, Ahmedabad and Bank of Baroda Regional Training Centre.

He has been on the Board since February, 2017.

Details of any arrangement or understanding with major shareholders, customers, suppliers or others

Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors have been appointed in the Board.

Other Confirmations:

1. None of Directors are currently, or have been in the past five years, on the board of directors of a listed company whose shares have been or were suspended from being traded on the Stock Exchange.
2. None of our Directors is or was, in the past ten years, a director of any listed company which has been or was delisted from any stock exchange in India during the term of their directorship in such company.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoter or any of our Directors are or have been categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

SECTION VI - FINANCIAL INFORMATION**FINANCIAL STATEMENTS**

Particulars	Page No.
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Limited Review Standalone Financial Results for the Six (6) months ended on September 30, 2019	243
Limited Review Consolidated Financial Results for the Six (6) months ended on September 30, 2019	248

Material changes and commitments, if any, affecting our financial position

There are no material changes and commitments, which are likely to affect our financial position since March 31, 2019 till date of this Letter of Offer, except that in compliance with the Listing Regulations and that there was fire accident in one of the manufacturing unit at the Company's factory situated at 5311 - GDIC, Ankleshwar -393002 on Wednesday, October 30, 2019, we have approved and filed the limited review financial results for the quarter and Six (6) months ended September 30, 2019 with the Stock Exchange. For the limited review financial results for the quarter and Six (6) months year ended September 30, 2019, please see section "Financial Information" on page 115.

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AUDITED STANDALONE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2018-19

INDEPENDENT AUDITOR'S REPORT

To the Members of Arrow Greentech Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of Arrow Greentech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone Ind AS Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2019, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and annexures thereto and Business Responsibility report but does not include the Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit or

otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Ind AS Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 section 143(11) of the Act, we give in “Annexure 1”, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (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 purposes 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 of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;
 - e. On the basis of the written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate report in “Annexure 2”;
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act;
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;
- h. With respect to the other matters to be included in the Auditor’s 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 explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements - Refer Note 34 on Contingent Liabilities to the Standalone Ind AS Financial Statements;
- (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 40 to the Standalone Ind AS Financial Statements; and
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048
Sd/-
Snehal Shah
Partner
Membership No.048539
Mumbai: May 18, 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Arrow Greentech Limited** ("the company") on the Standalone Ind AS Financial Statements for the year ended March 31, 2019]

- i.
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) During the year, the fixed assets of the Company have been physically verified by the Management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company, except for the details given below:

Building	Total number of cases	Leasehold/ Freehold	Gross Block as on March 31, 2019 (₹ in `000)	Net Block as on March 31, 2019 (₹ in `000)
Office Building	1	Freehold	45	39

- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- iii. The Company has granted interest free loans, secured or unsecured, to company covered in the register maintained under Section 189 of the Act.
 - (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
 - (b) The schedule of repayment of principal and payment of interest in respect of such loan has not been stipulated and thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under clause 3(iii)(c) of the Order.
- iv. Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of section 185 and 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under.
- vi. The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under section 148(1) of the Act and the rules framed there under.

vii.

- (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, customs duty, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases.

According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, which were outstanding, at the yearend for a period of more than six months from the date they became payable, except the following:

Name of the statute	Nature of the dues	Amount (₹ In '000)	Period to which the amount relates	Due Date	Date of Payment
Maharashtra Value Added Tax Act, 2002	VAT	95	2006-2007	March 31, 2007	Unpaid
Maharashtra Value Added Tax Act, 2002	VAT	40	2007-2008	March 31, 2008	Unpaid
Maharashtra Value Added Tax Act, 2002	VAT	21	2009-2010	March 31, 2010	Unpaid

- (b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in '000)	Period to which the amount relates	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2002	VAT	2,839	2003-2004	Asst Commissioner of Sales Tax (Appeal), Mumbai
Central Sales Tax Act, 1956	CST	442	2003-2004	Asst Commissioner of Sales Tax (Appeal), Mumbai
Maharashtra Value Added Tax Act, 2002	VAT	3,671	2004-2005	Asst Commissioner of Sales Tax (Appeal), Mumbai
Central Sales Tax Act, 1956	CST	3,521	2004-2005	Asst Commissioner of Sales Tax (Appeal), Mumbai
Maharashtra Value Added Tax Act, 2002	VAT	53,901	2007-2008	Asst Commissioner of Sales Tax (Appeal), Mumbai
Central Sales Tax Act, 1956	CST	12,188	2007-2008	Asst Commissioner of Sales Tax (Appeal), Mumbai
Income Tax Act, 1961	Income Tax	6,888	2014-2015*	Asst Commissioner of Income Tax

Name of the statute	Nature of dues	Amount (₹ in '000)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,345	2015-2016*	Asst Commissioner of Income Tax
*Assessment Year				

- viii. According to the information and explanations given to us, the Company has not borrowed any money from financial institutions, banks, and government or by way of debentures. Therefore, clause 3(viii) of the Order is not applicable to the Company.
- ix. The Company has neither raised money by way of public issue offer nor has obtained any term loans. Therefore, clause 3(ix) of the Order is not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- xi. According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, clause 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- xvi. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048
Sd/-
Snehal Shah
Partner
Membership No.048539
Mumbai: May 18, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Arrow Greentech Limited on the Standalone Ind AS Financial Statements for the year ended March 31, 2019]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Arrow Greentech Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS 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 with reference to financial statements 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 (the "Guidance Note") 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 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048
Sd/-
Snehal Shah
Partner
Membership No.048539
Mumbai: May 18, 2019

Balance Sheet as at March 31, 2019				
(All amounts in Indian Rupees in thousand unless otherwise stated)				
Particulars		Note No.	As at	
			March 31, 2019	March 31, 2018
ASSETS				
Non-current assets				
Property, plant and equipment		3	114,687	135,665
Capital work-in-progress		3	6,440	-
Intangible assets		3	15,661	18,285
Intangible assets under development		3	5,553	6,593
Investment Property		4	1,421	1,494
Investment in subsidiaries and associates		5	5,352	6,577
<u>Financial assets</u>				
(i)	Investments	5	116,961	248,970
(ii)	Loans	6	47,079	4,034
(iii)	Other financial asset	7	1,597	1,926
Income tax assets (Net)		8	7,377	7,239
Other non - current assets		9	26,967	1,032
Total Non- current assets			349,095	431,815
Current assets				
Inventories		10	54,992	44,858
<u>Financial assets</u>				
(i)	Trade Receivables	11	70,398	30,540
(ii)	Cash and cash equivalents	12	30,200	7,400
(iii)	Bank balances other then (ii) above	13	6,401	5,120
(iv)	Loans	14	977	1,463
(v)	Other financial assets	15	142	747
Other current assets		16	34,086	33,503
Total current assets			197,196	123,631
TOTAL ASSETS			546,291	555,446
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		17	117,399	117,399
Other Equity		18	361,257	383,023
Total Equity			478,656	500,422
Non-current liabilities				
Provisions		19	1,643	800
Deferred tax liabilities (Net)		32	3,625	6,475
Total Non current Liabilities			5,268	7,275
Current liabilities				
<u>Financial liabilities</u>				

(i)	Trade payables	20		
	- Total outstanding dues to Micro and Small Enterprises		291	69
	- Total outstanding dues to others		30,528	22,726
(ii)	Other financial liabilities	21	26,942	20,050
	Provisions	22	1,333	2,340
	Other current liabilities	23	3,273	2,564
	Total current Liabilities		62,367	47,749
	Total Liabilities		67,635	55,024
	TOTAL EQUITY AND LIABILITIES		546,291	555,446
	Significant accounting policies	2		
	The accompanying notes are an integral part of these financial statements (1-44)			
	As per our report of even date			
			For and on behalf of the Board of Directors of	
	For Haribhakti & Co. LLP		Arrow Greentech Limited	
	Chartered Accountants			
	ICAI Firm registration number: 103523W / W100048			
	Sd/-		Sd/-	Sd/-
	Snehal Shah		Shilpan Patel	Neil Patel
	Partner		Managing Director	Jt. Managing Director
	Membership No: 048539		DIN No: 00341068	DIN No: 00607101
			Sd/-	Sd/-
	Place : Mumbai		Hitesh Punglia	Poonam Bansal
	Date : May 18, 2019		Chief Financial Officer	Company Secretary

Statement of Profit and Loss for the year ended March 31, 2019				
(All amounts in Indian Rupees in thousand unless otherwise stated)				
Particulars		Notes	Year Ended	
			March 31, 2019	March 31, 2018
INCOME				
Revenue from operations		24	434,011	388,827
Other Income		25	76,900	102,492
TOTAL INCOME			510,911	491,319
EXPENSES				
Cost of raw materials consumed		26	36,669	34,575
Purchase of stock-in-trade			229,766	69,740
Change in inventory of finished goods, work-in-progress and stock in trade		27	(6,293)	(22,287)
Excise duty on sales			-	1,453
Employee benefits expense		28	87,226	70,661
Depreciation and amortisation expense		3	34,084	40,314
Other expenses		29	119,321	115,556
TOTAL EXPENSES			500,773	310,012
Profit before tax			10,138	181,307
Income tax expense				
Current Tax		32	11,010	32,276
Deferred Tax		32	(2,773)	(2,442)
Total tax expense			8,237	29,834
Profit after tax			1,901	151,473
Other comprehensive income not to be reclassified to profit or loss :				
Re-measurement gains/ (losses) on defined benefit plans			(265)	(375)
Income tax relating to the above items			77	109
Other comprehensive income for the year, net of tax			(188)	(266)
Total comprehensive income for the year, net of tax			1,713	151,207
Earnings per equity share (₹)				
Basic and Diluted [Nominal value of the shares ₹. 10 (March 31, 2018 : ₹. 10)]		33	0.16	12.90
The accompanying notes are an integral part of these financial statements (1-44)				

As per our report of even date			
For and on behalf of the Board of Directors of			
For Haribhakti & Co. LLP		Arrow Greentech	
Chartered Accountants		Sd/-	Sd/-
ICAI Firm registration number: 103523W / W100048		Shilpan Patel	Neil Patel
Sd/-		Managing Director	Jt. Managing Director
Snehal Shah		DIN No: 00341068	DIN No: 00607101
Partner			
Membership No: 048539		Sd/-	Sd/-
		Hitesh Punglia	Poonam Bansal
Place : Mumbai		Chief Financial Officer	Company Secretary
Date : May 18, 2019			

Cash flow statement for the year ended March 31, 2019		
(All amounts in Indian Rupees in thousand unless otherwise stated)		
Particulars	Year Ended	
	March 31, 2019	March 31, 2018
<u>Operating activities</u>		
Profit before tax	10,138	181,307
<u>Adjustment to reconcile profit before tax to net cash flows</u>		
Depreciation and amortisation	34,084	40,314
Fair value gain on non-current investments	3,824	(953)
Impairment Loss on Investment in subsidiaries and Associates	-	2,295
Provision For Doubtful Debt	2,492	1,212
Provision For Doubtful Advances	649	146
Sundry balance written-off	-	12
Unrealised Foreign Exchange gain	(453)	(172)
Net gain on sale of Long term investments	(6,293)	(3,283)
Deferred Tax Impact on Actuarial Valuation on Gratuity	-	-
Interest income	(1,766)	(1,275)
Gain on Forward Contract	10	
Dividend Income	(65,851)	(93,653)
	(23,166)	125,950
Working capital adjustments:		
Decrease/ (Increase) in Loans and Advances	(42,568)	(1,730)
Decrease/ (Increase) in non-current assets	(26,584)	110
Decrease / (Increase) in trade receivables	(42,389)	(14,079)
Decrease/ (Increase) in current assets	(593)	(14,761)
Decrease/ (Increase) in Inventories	(10,134)	(25,545)
Increase/ (Decrease) in provisions	(429)	2,003
Increase/ (Decrease) in trade payables	8,515	2,311
Increase/ (Decrease) in other financial Liabilities	6,892	(7,138)
Increase/ (Decrease) in other Liabilities	709	(914)
	(129,746)	66,206
Income tax paid	(11,148)	(32,065)
Net Cash Flow from operating activities (A)	(140,894)	34,141

Investing activities		
Purchase of Fixed assets including CWIP	(15,810)	(26,432)
(Purchase) / Proceeds from Long term investments	1,225	(4,975)
(Purchase) / proceeds from mutual fund investment, net	134,478	(58,869)
Investments in Bank deposits	(952)	3,358
Dividend Received	66,435	91,073
Interest Received	1,797	1,311
Net cash flows from investing activities (B)	187,173	5,466
Financing activities:		
Dividend paid, including dividend tax	(23,479)	(64,427)
Net cash (used in) financing activities (C)	(23,479)	(64,427)
Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C)	22,800	(24,820)
Effect of exchange difference on Cash and Cash Equivalents		
Cash and Cash equivalents at the beginning of the year	7,400	32,220
Cash and Cash equivalents at the end of the year (refer note - 12)	30,200	7,400
Notes:		
Above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS -7) "Statement of Cash Flow"		
The accompanying notes are an integral part of these financial statements (1-44)		
As per our report of even date		
	For and on behalf of the Board of Directors of	
For Haribhakti & Co. LLP	Arrow Greentech Limited	
Chartered Accountants	Sd/-	Sd/-
ICAI Firm registration number: 103523W / W100048	Shilpan Patel	Neil Patel
Sd/-	Managing Director	Jt. Managing Director
Snehal Shah	DIN No: 00341068	DIN No: 00607101
Partner	Sd/-	Sd/-
Membership No: 048539	Hitesh Punglia	Poonam Bansal
	Chief Financial Officer	Company Secretary

Place : Mumbai			
Date : May 18, 2019			

Statement of Changes in Equity for the year ended March 31, 2019					
(All amounts in Indian Rupees in thousand unless otherwise stated)					
a. Equity shares of Indian Rupees 10 each issued, subscribed and fully paid					
	As at March 31, 2019		As at March 31, 2018		
	Number of shares	Amount	Number of shares	Amount	
Balance at the beginning	11,739,948	117,399	11,739,948	117,399	
Changes in equity share capital during the year	-	-	-	-	
Balance at the end	11,739,948	117,399	11,739,948	117,399	
b. Other Equity					
	Attributable to owners				
	Reserves and Surplus				
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Total
Balance at March 31, 2017	29,199	8,218	200	259,944	297,561
Profit for the year	-	-	-	151,473	151,473
Other comprehensive income (net of tax)	-	-	-	(266)	(266)
Total comprehensive income for the year	-	-	-	151,207	151,207
Transactions with owners of company					
Cash dividends	-	-	-	(65,746)	(65,746)
Balance at March 31, 2018	29,199	8,218	200	345,406	383,023
Profit for the year	-	-	-	1,901	1,901
Other comprehensive income (net of tax)	-	-	-	(188)	(188)
Total comprehensive income for the year	-	-	-	1,713	1,713
Transactions with owners of company					
Cash dividends	-	-	-	(23,479)	(23,479)
Balance at March 31, 2019	29,199	8,218	200	323,640	361,257
The accompanying notes are an integral part of these financial statements (1-44)					
As per our report of even date		For and on behalf of the Board of Directors of			
For Haribhakti & Co. LLP		Arrow Greentech Limited			
Chartered Accountants		Sd/-		Sd/-	
ICAI Firm registration number: 103523W / W100048		Shilpan Patel		Neil Patel	
Sd/-		Managing Director		Jt. Managing Director	
Snehal Shah		DIN No: 00341068		DIN No: 00607101	
Partner		Sd/-		Sd/-	

Membership No: 048539			Hitesh Punglia	Poonam Bansal
Place : Mumbai		Chief Financial Officer	Company Secretary	
Date : May 18, 2019				

Arrow Greentech Limited

Notes to the financial statement for the year ended March 31, 2019

(All amounts in Indian Rupees in thousand unless otherwise stated)

1. Corporate Information

Arrow Greentech Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. Its shares are listed on BSE & NSE in India. The company is engaged in business of bio-degradable products and having Patents income for such products/technology. The company caters to both domestic and international markets.

2. Significant accounting policies

A Basis of accounting and preparation of Financial Statements:

Compliance with Indian Accounting Standards (Ind AS):

- a) These Standalone Ind AS Financial Statements ("Financial Statements") of the Company, have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") as notified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. These Financial Statements were authorized for issue by the Company's Board of Directors on May 18, 2019.

Functional and Presentation Currency

These Financial Statements are presented in Indian rupees, which is the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest thousands, except otherwise indicated.

Basis of measurement

These Financial Statements are prepared under the historical cost convention unless otherwise indicated.

Use of Estimates and Judgements

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the year in which the results are known/ materialise. Estimates and underlying assumptions are reviewed on an ongoing basis.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the accounting policies.

The areas involving critical estimates or judgments are:

- Measurement of defined benefit obligations (Refer note 38)

- Measurement and likelihood of occurrence of provisions and contingencies (Refer note 34)
- Estimation of tax expenses and liability (Refer note 8& 32)
- Useful lives of property, plant, equipment and intangibles (Refer note 3)
- Impairment of financial assets such as trade receivables (Refer note 41)

B Revenue Recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The Company has adopted Ind AS 115 using the modified retrospective approach. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

The Company recognizes provision for sales return, based on the historic results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

- i) **Sale of products:** Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.
- ii) **Rendering of services:** Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered.
- iii) **Dividend income :** Dividends are recognised in Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.
- iv) **Insurance and other claims,** where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

C Property, Plant and Equipment

i) Recognition and measurement:

Property, plant and equipment are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated attributable costs of dismantling and removing the asset and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Gains or losses arising from derecognition of plant, property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

Depreciation on additions/disposals is provided on a pro-rata basis i.e. from / upto the date on which asset is ready for use/disposed off.

ii) Depreciation

Depreciation on Property, Plant and Equipment has been provided on written down value basis and manner prescribed in Schedule II to the Companies Act 2013.

Leasehold Land on a straight line basis over the period of lease.i.e. 99 years.

iii) Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a Straight Line Basis over their estimated useful lives. Costs related to patents are written off over the remaining useful life from the day of grant. Computer Software's are amortized over a period of 3 years from the date of acquisition.

Expenditure on research and development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

iv) Capital work in Progress

Expenditure during the construction/ pre-operative period is included under Capital Work-in-Progress and same is allocated to the respective Property, Plant and Equipment on the completion of project.

D Investment Property

Investment property is property (land or a building or part of a building or both) held either to earn rental income or for capital appreciation or for both, but neither for sale in the ordinary course of business nor

used in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Based on technical evaluation and consequent advice, the management believes a period of 54 years as representing the best estimate of the period over which investment property are expected to be used. Accordingly, the Company depreciates investment properties over a period of 54 years on a straight line basis.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognized in Statement of Profit and Loss.

Fair values is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property valued.

E Research and Development Cost:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a products' technical feasibility has been established, in which case such expenditure is capitalized.

Product development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Company are recognised as intangible assets if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefit are probable, the Company has intention and ability to complete and use or sell the assets and cost can be measured reliably.

The amount capitalized comprise expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Capitalised product development costs are recorded as intangible assets and amortised from the useful life as estimated by the management. Property, Plant and Equipments utilized for research and development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipments.

F Impairment of Assets:

i) Financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI. Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in Statement of Profit and Loss.

ii) Non Financial Assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which

there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). The impairment loss is recognised as an expense in the Statement of Profit and Loss.

G Investment in subsidiaries and associates

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the long term investments.

H Inventories:

- i) Raw Materials, packing materials, Stores and Spares are valued at lower of cost arrived on FIFO method and Net Realisable Value. Cost of raw materials comprises cost of purchases.
- ii) Work-in-progress and Finished Goods are valued at lower of cost and Net Realisable Value. Cost of work-in-progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.
- iii) Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a FIFO basis.

Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

I Employee Benefits

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund."

Defined Benefit Plans - Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee Benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income they are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

- Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once The contributions have been paid. The contributions are accounted for as Defined contribution Plans and The contributions are recognised as employee Benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

J Leases (where the company is lessee):

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values.

Leases of property, plant and equipment where the Company, as lessee, in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss as per the terms of the lease or on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

K Foreign Currency Transactions / Translations

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss as either profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income and expenses accordingly.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss in the Statement of Profit and Loss. For example, translation differences on nonmonetary assets and liabilities such as equity instruments held at fair value through profit or loss are included in net profit in the Statement of Profit and Loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as Fair Value through Other Comprehensive Income ("FVOCI") are recognised in other comprehensive income ("OCI").

L Income Tax

Income tax expense comprises current tax and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates items recognised directly in equity or in OCI.

The income tax expense or credit for the period is tax payable on the current year's taxable income based on the applicable income tax rate adjusted by change in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current tax comprises of expected tax payable or receivable on taxable income/loss for the year or any adjustment or receivable in respect of previous year. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amount expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the Balance Sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting date and are expected to apply to the Company when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits (Minimum alternate tax credit entitlement) only if it is probable that future taxable amounts will be available to utilise those temporary differences, unused losses and unused tax credits. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable or no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

M Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share is calculated by dividing:

- the net profit or loss after tax for the year attributable to owners of the Company , and
- the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares

N Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

O Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the Financial Statements.

P Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet include cash on hand, cheques on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and overdrawn bank balances.

Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

Q Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

R Derivatives and hedging activities

The Company holds derivative financial instruments such as forward contracts to mitigate risk of changes in exchange and interest rates. The counterparty for these contracts is generally banks.

(i) Cash flow hedges that qualify for hedge accounting:

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the Statement of Profit and Loss.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(ii) Derivatives that are not designated as hedges

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss and are included in other income / expenses. Assets/liabilities are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

S Financial instruments

a. Financial Liabilities

Initial recognition and measurement

Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement

Financial liabilities are subsequently carried at fair value through profit and loss. For trade payables and other liabilities maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

b. Financial assets

Initial recognition and measurement

Trade Receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through OCI or fair value through profit and loss.

i) Financial assets amortised at cost

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely consisting payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in OCI. Dividends on such equity instruments are recognised in the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Dividends on such equity instruments are recognised in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- the Company has transferred substantially all the risks and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

T Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of trade;
- c) it is expected to be realised on demand or within 12 months after the reporting date; or

- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.
All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the company's normal operating cycle;
- b) it is held primarily for the purpose of trade;
- c) it is due to be settled in demand or within 12 months after the reporting date; or
- d) there is no unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

U Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

V Recent Accounting Pronouncements

Standards issued but not yet effective In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying new standards and amendments to certain issued standards. These amendments are applicable to the Company from April 1, 2019. The Company will be adopting the below stated new standards and applicable amendments from their respective effective date.

Ind AS 116, Leases:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Under IND AS 116, at commencement date, a lessee will recognise a liability to make lease payments i.e a lease liability and an asset representing the right to use the underlying asset during the lease term i.e the right of use asset. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 01, 2019. The Company is currently evaluating the impact on account of implementation of IND AS 116 and on

preliminary assessment the Company does not expect any significant impact on account of implementation IND AS 116.

Amendment to Ind AS 12, Income Taxes:

The amendment clarifies that an entity shall recognize income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company will apply these amendments for annual reporting periods beginning on or after April 1, 2019. The impact on the Financial Statements is being evaluated.

Other Amendments:

Amendments to Ind AS 103, Business Combinations

Amendments to Ind AS 109, Financial Instruments

Amendments to Ind AS 19, Employee Benefits

Amendments to Ind AS 28, Investments to Associates and Joint Ventures

Based on the preliminary assessment, the Company does not expect these amendments to have any significant impact on its Financial Statements.

Notes to the financial statement for the year ended March 31, 2019											
(All amounts in Indian Rupees in thousand unless otherwise stated)											
3	Tangible and intangible assets										
		Gross carrying amount				Accumulated depreciation / amortisation				Net block	
		Carrying amount as at April 01, 2018	Additions during the year	Disposal during the year	As at March 31, 2019	As at April 01, 2018	Charge for the year	Disposal during the year	As at March 31, 2019	At March 31, 2018	At March 31, 2019
A	<u>Property, plant and equipment</u>										
	Leasehold Land	3,117	-	-	3,117	61	36	-	97	3,056	3,020
	Factory Building	30,445	1,135	-	31,580	3,388	2,758	-	6,146	27,057	25,434
	Plant and Equipment	136,727	4,965	-	141,692	40,955	24,087	-	65,042	95,772	76,650
	Furniture and Fixtures	3,164	1,718	-	4,882	530	1,044	-	1,574	2,634	3,308
	Electrical Installation	2,808	165	-	2,973	677	588	-	1,265	2,131	1,708
	Laboratory Equipment	46	-	-	46	46	-	-	46	-	-
	Vehicles	3,888	-	-	3,888	1,755	618	-	2,373	2,133	1,515
	Office Equipment	2,116	1,586	-	3,702	753	1,026	-	1,779	1,363	1,923
	Computer	3,228	840	-	4,068	1,750	1,228	-	2,978	1,478	1,090
	Office Building (Refer note 1 below)	45	-	-	45	4	2	-	6	41	39
	Total A	185,583	10,409	-	195,992	49,918	31,387	-	81,305	135,665	114,687
B	<u>Capital work-in-progress</u>	-	6,440	-	6,440	-	-	-	-	-	6,440
	Total B	-	6,440	-	6,440	-	-	-	-	-	6,440
C	<u>Intangible assets</u>										
	Patent rights	21,066	-	-	21,066	2,781	2,624	-	5,405	18,285	15,661

Notes to the financial statement for the year ended March 31, 2019											
(All amounts in Indian Rupees in thousand unless otherwise stated)											
3	Tangible and intangible assets	Gross carrying amount				Accumulated depreciation / amortisation				Net block	
		Carrying amount as at April 01, 2018	Additions during the year	Disposal during the year	As at March 31, 2019	As at April 01, 2018	Charge for the year	Disposal during the year	As at March 31, 2019	At March 31, 2018	At March 31, 2019
		Total C	21,066	-	-	21,066	2,781	2,624	-	5,405	18,285
D	<u>Intangible assets under development</u>										
	Patent rights	4,173	284	-	4,458	-	-	-	-	4,173	4,458
	Product Development	1,143	1,555	(2,699)	-	-	-	-	-	1,143	-
	Software development	1,276	455	(635)	1,096	-	-	-	-	1,276	1,096
	Total D	6,593	2,294	(3,334)	5,553	-	-	-	-	6,593	5,553
	Total (A+B+C+D)	213,242	19,143	(3,334)	229,052	52,699	34,011	-	86,710	160,543	142,341
Note : (1) Building having gross value of ₹.45 (P.Y. ₹. 45) is pending for registration in the name of the Company. Management is of the opinion that the building will be transferred in the name of the Company in due course.											

Notes to the financial statement for the year ended March 31, 2019											
(All amounts in Indian Rupees in thousand unless otherwise stated)											
3	Tangible and intangible assets	Gross carrying Amount				Accumulated depreciation / amortisation				Net block	
		Carrying amount as at April 01, 2017	Additions during the year	Disposal during the year	As at March 31, 2018	As at April 01, 2017	Charge for the year	Disposal during the year	As at March 31, 2018	At March 31, 2017	At March 31, 2018
A	<u>Property, plant and equipment</u>										
	Leasehold Land	3,117	-	-	3,117	25	36	-	61	3,092	3,056
	Factory Building	27,864	2,581	-	30,445	401	2,987	-	3,388	27,463	27,057
	Plant and Equipment	124,700	12,027	-	136,727	8,805	32,150	-	40,955	115,895	95,772
	Furniture and Fixtures	958	2,206	-	3,164	185	345	-	530	773	2,634
	Electrical Installation	2,295	544	(31)	2,808	10	667	-	677	2,285	2,131
	Laboratory Equipment	181	-	(135)	46	46	-	-	46	135	-
	Vehicles	3,458	430	-	3,888	1,033	722	-	1,755	2,425	2,133
	Office Equipment	930	1,186	-	2,116	303	450	-	753	627	1,363
	Computer	1,625	1,603	-	3,228	657	1,093	-	1,750	968	1,478
	Office Building (Refer note 1 below)	45	-	-	45	2	2	-	4	43	41
	Total A	165,173	20,576	(166)	185,583	11,467	38,451	-	49,918	153,706	135,665
B	<u>Capital work-in-progress</u>	116	-	(116)	-	-	-	-	-	116	-
	Total B	116	-	(116)	-	-	-	-	-	116	-
C	<u>Intangible assets</u>										
	Patent rights	9,730	11,336	-	21,066	995	1,786	-	2,781	8,735	18,285
	Total C	9,730	11,336	-	21,066	995	1,786	-	2,781	8,735	18,285

Notes to the financial statement for the year ended March 31, 2019

(All amounts in Indian Rupees in thousand unless otherwise stated)

3 Tangible and intangible assets											
		Gross carrying Amount				Accumulated depreciation / amortisation				Net block	
		Carrying amount as at April 01, 2017	Additions during the year	Disposal during the year	As at March 31, 2018	As at April 01, 2017	Charge for the year	Disposal during the year	As at March 31, 2018	At March 31, 2017	At March 31, 2018
D	<u>Intangible assets under development</u>										
	Patent rights	11,449	4,061	(11,336)	4,173	-	-	-	-	11,449	4,173
	Product Development	-	1,143	-	1,143					-	1,143
	Software development	339	937	-	1,276	-	-	-	-	339	1,276
	Total D	11,788	6,141	(11,336)	6,593	-	-	-	-	11,788	6,593
	Total (A+B+C+D)	186,807	38,053	(11,618)	213,242	12,462	40,237	-	52,699	174,345	160,543
Note :											

(1) Building having gross value of ₹.45 (P.Y. ₹. 45) is pending for registration in the name of the Company. Management is of the opinion that the building will be transferred in the name of the Company in due course.

Notes to the financial statement for the year ended March 31, 2019											
(All amounts in Indian Rupees in thousand unless otherwise stated)											
4	Investment Property										
		Gross carrying amount				Accumulated depreciation				Carrying amount	
		Carrying amount as at April 01, 2018	Additions during the year	Disposal during the year	As at March 31, 2019	As at April 01, 2018	Charge for the year	Disposal during the year	As at March 31, 2019	At March 31, 2018	At March 31, 2019
	Guest House	1,651	-	-	1,651	157	73	-	230	1,494	1,421
	Total	1,651	-	-	1,651	157	73	-	230	1,494	1,421
		Gross carrying amount				Accumulated depreciation				Carrying amount	
		Carrying amount as at April 01, 2017	Additions during the year	Deletion during the year	As at March 31, 2018	As at April 01, 2017	Charge for the year	Disposal during the year	As at March 31, 2018	At March 31, 2017	At March 31, 2018
	Guest House	1,651	-	-	1,651	80	77	-	157	1,571	1,494
	Total	1,651	-	-	1,651	80	77	-	157	1,571	1,494

	(i) Amount recognised in Statement of Profit and Loss for investment property										
		As at March 31, 2019	As at March 31, 2018								
	Depreciation	73	77								
	Profit / (loss) from investment property	(73)	(77)								
	(ii) Fair value										
	Investment property #	2,550	2,550								
	# Estimation of Fair value										
	The Company has carried out the fair valuation of property involving external independent valuation expert. As per the fair valuation report dated May 21,2018 the fair value of investment property is Rs. 2,555 ('000). The valuation model has considered various input like cost, location, market appreciation, etc.										

Equity Shares of ₹ 10 each	100		100	
In mutual funds (quoted) (Non-Trade), at Fair Value through Profit or Loss (refer below details)		116,952		248,961
		116,961		248,970
Aggregate amount of quoted investments and market value thereof		116,952		248,961
Aggregate amount of unquoted investments		9		9
Aggregate amount of impairment in the value of investments		-		-
Investment in mutual funds (quoted) (fully paid up) at Fair Value through Profit and Loss				
	As at			
	March 31, 2019		March 31, 2018	
	Units	Amount	Units	Amount
Aventus Absolute Return Fund	-	-	-	10,494
HDFC Corp Debt Opportunities Fund-Regular *	2,687,329	40,995	2,687,329	38,727
HDFC Short Term Plan - Monthly Dividend	-	-	827,284	8,598
HDFC TOP 200 Fund-Dividend	-	-	110,166	5,226
ICICI Prudential Equity Income Fund Regular Plan **	2,918,288	33,298	2,918,288	33,123
ICICI Prudential Savings Fund - Daily Dividend	291,855	30,872	824,079	87,182
ICICI Prudential Equity Arbitrage Fund- Dividend	-	-	727,453	9,922
ICICI Prudential Value Discovery Fund- Dividend	444,950	11,787	394,938	11,366
IDFC Corporate Bond Fund Regular Plan - Growth	-	-	952,962	11,329
IDFC SSIF - Short Term - Plan A - Monthly Dividend Payout	-	-	739,331	7,539
Reliance Regular Savings Fund-Debt Plan- Growth Plan Growth Option	-	-	470,568	11,391
Motilal Oswal Most Focused Multicap 35 Fund- Regular Dividend Reinvestments	-	-	581,428	14,064
		116,952		248,961
* Lien marked by Bank for Bank Guarantee /Letter of Credit in FY 2018-19 and FY 2017-18				
** Lien marked by Bank for Bank Guarantee /Letter of Credit in FY 2017-18				

6	Loans		
		As at	
		March 31, 2019	March 31, 2018
	<u>Unsecured, considered good</u>		
	Security deposits - Others	3,559	3,234

	Loan to Employees	340	800
	Loan to Subsidiary (Refer note 39)	43,180	-
		47,079	4,034
7	Other financial assets		
		As at	
		March 31, 2019	March 31, 2018
	Fixed deposits with Bank (maturity more than 12 months) *	1,597	1,926
		1,597	1,926
	*Held as lien by bank against bank guarantee/Security Deposit of March 31, 2019 ₹ 1,597 March 31,2018 ₹ 903		
8	Income tax assets (Net)		
		As at	
		March 31, 2019	March 31, 2018
	Advance Income Tax (Net of Provision for Taxation of Mar 31, 2019 ₹ 140,920 Mar 31,2018 ₹ 112,626)	7,377	7,239
		7,377	7,239
9	Other non-current assets		
		As at	
		March 31, 2019	March 31, 2018
	Unsecured, considered good		
	Capital advances	26,767	862
	Prepaid expenses	200	170
		26,967	1,032
10	Inventories		
		As at	
		March 31, 2019	March 31, 2018
	<u>Raw materials and components:</u>		
	Polyvinyl Alcohol	10,432	6,805
	Chemicals	1,200	907
	Others	616	560
	Total	12,248	8,272
	<u>Work in progress:</u>		
	Water Soluble Films	11,821	16,963
	<u>Finished goods:</u>		
	Water Soluble Films	9,102	6,825
	<u>Stock in trade</u>		
	Cleaning products	15,410	12,239

	Bioplast	5,988	-
		21,398	12,239
	Stores and spares	423	560
		54,992	44,858
11	Trade Receivables		
		As at	
		March 31, 2019	March 31, 2018
	<u>Unsecured</u>		
	Dues from subsidiaries, considered good (Refer note 39)	4,194	-
	Dues from other trade receivables considered good	66,204	30,540
	Dues from other trade receivables considered doubtful	4,389	1,897
	Less: Impairment allowance	(4,389)	(1,897)
		70,398	30,540
	Note: Trade receivable are receivable in normal operating cycle and are shown net of an allowance for bad or doubtful debts		
12	Cash and cash equivalents		
		As at	
		March 31, 2019	March 31, 2018
	<u>Balance with bank:</u>		
	On current accounts	7,436	7,221
	Deposits with original maturity of less than 3 months	22,500	125
	Cash on hand	264	54
		30,200	7,400
13	Bank balances other than cash and cash equivalents		
		As at	
		March 31, 2019	March 31, 2018
	Unclaimed Dividend Account	4,249	3,735
	Deposits with maturity of more than 3 months but less than 12 months **	2,152	1,385
		6,401	5,120
	**Held as lien by bank against bank guarantee of March 31, 2019 ₹ 1775, March 31, 2018 Nil		
14	Loans		
		As at	
		March 31, 2019	March 31, 2018
	<u>Unsecured, considered good</u>		

	Security deposits - Others	126	109
	Loan to Employees	851	1,354
		977	1,463
15	Other financial assets		
		As at	
		March 31, 2019	March 31, 2018
	Unsecured, considered good		
	Dividend receivable	-	584
	Interest accrued on deposits with bank	132	163
	Derivative Assets	10	-
		142	747
16	Other current assets		
		As at	
		March 31, 2019	March 31, 2018
	Unsecured, considered good unless stated otherwise		
	Advance to suppliers		
	Considered Good	2,193	431
	Considered Doubtful	2,199	1,550
	Less Provision for Doubtful Advance	(2,199)	(1,550)
		2,193	431
	Prepaid expenses	949	4,683
	Advance to employees	1,028	701
	Balance with Government authorities	29,914	27,688
		34,084	33,503

17	Equity share capital				
a)	Equity share capital				
		As at March 31, 2019		As at March 31, 2018	
		No. of shares	Amount	No. of shares	Amount
	<u>Authorised share capital</u>				
	Equity shares of ₹ 10 each	15,000,000	150,000	15,000,000	150,000
	<u>Issued, Subscribed and Paid Up :</u>				
	Equity shares of ₹ 10 each fully paid	11,739,948	117,399	11,739,948	117,399
b)	Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year				
		As at March 31, 2019		As at March 31, 2018	
		No. of shares	Amount	No. of shares	Amount

	Outstanding at the beginning of the year	11,739,948	117,399	11,739,948	117,399
	Outstanding at the end of the year	11,739,948	117,399	11,739,948	117,399
c)	Terms /Rights attached to Equity shares				
	The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.				
	In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
d)	Details of shares held by each shareholder holding more than 5% equity shares				
	Name of shareholders	As at March 31, 2019		As at March 31, 2018	
		No. of shares	% of Holding	No. of shares	% of Holding
	Arrow Convertors Private Limited	1,196,014	10%	1,196,014	10%
	Jigisha S. Patel	1,518,503	13%	1,518,503	13%
	Shilpan Patel	3,226,342	27%	3,226,342	27%
	Shilpan Patel (HUF)	899,316	8%	899,316	8%
		6,840,175	58%	6,840,175	58%

18	Other Equity			
			As at	
			March 31, 2019	March 31, 2018
	18 Other Equity			
	General Reserve	18 (i)	200	200
	Capital Reserve	18 (ii)	8,218	8,218
	Securities Premium Reserve	18 (iii)	29,199	29,199
	Retained Earnings	18 (iv)	323,640	345,406
			361,257	383,023
			As at	
			March 31, 2019	March 31, 2018
	Reserves and surplus			
	<u>General reserve</u>			
	Opening and closing balance		200	200
	Movement during the year		-	-
	Balance as at the year end		200	200
	<u>Capital reserve</u>			
	Opening and closing balance		8,218	8,218
	Movement during the year		-	-
	Balance as at the year end		8,218	8,218
	<u>Securities premium reserve</u>			
	Opening and closing balance		29,199	29,199
	Movement during the year		-	-
	Balance as at the year end		29,199	29,199
	<u>Retained earnings</u>			
	Opening Balance at the beginning of the year		345,406	259,944
	Add : Profit for the year		1,901	151,473
	Less : Dividend paid		(23,479)	(65,746)
	Items that will not be reclassified to profit or loss :			
	- Remeasurement of defined benefit obligation net of taxation		(188)	(266)
	Balance as at the year end		323,640	345,406
			361,257	383,023

Proposed dividend on equity shares not recognised			
Final dividend for the year ended ₹ 0.50 per share (PY ₹ 2 per share)	5,870	23,480	
Dividend distribution tax on proposed dividend	1,207	4,780	
	7,077	28,260	
Note			
Nature of reserves			
a) General Reserve			
The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the Statement of Profit and Loss.			
b) Capital Reserve			
The Capital reserve is created on account of forfeiture of share application money			
c) Securities Premium			
Securities premium account comprises of premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.			
d) Retained Earnings			
Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.			

19	Provisions		
		As at	
		March 31, 2019	March 31, 2018
	Provision for employee benefits (Refer note 38)		
	Leave encashment (un funded)	1,643	800
		1,643	800
20	Trade Payables		
		As at	
		March 31, 2019	March 31, 2018
	Total outstanding dues of micro enterprises and small enterprises (Refer Note 37)	291	69
	Total outstanding dues to others	30,528	22,726
		30,819	22,795
21	Other financial liabilities		
		As at	

		March 31, 2019	March 31, 2018
	Unclaimed Dividend ^	4,246	3,732
	Employee Benefits Payable	2,871	2,857
	Outstanding liability for expenses	4,295	1,507
	Trade payable for capital goods (other than small and medium enterprises)		
	- Dues to subsidiary (Refer note 39)	5,438	-
	- Dues to others	10,092	11,954
		26,942	20,050
	^ There are no unpaid dividend which is required to be transferred to Investors Education Protection Fund		
22	Provisions		
		As at	
		March 31, 2019	March 31, 2018
	Provision for employee benefits (Refer note 38)		
	- Gratuity (funded)	750	2,072
	- Leave encashment (un funded)	583	268
		1,333	2,340
23	Other current liabilities		
		As at	
		March 31, 2019	March 31, 2018
	Statutory Dues Payable	2,199	1,923
	Advances from customers	1,072	641
		3,271	2,564

24	Revenue from operations		
		Year ended	
		March 31, 2019	March 31, 2018
	<u>Sale of products (including excise duty net of sales return)</u>		
	Finished goods	96,453	67,263
	Traded goods	232,703	76,253
	<u>Services rendered</u>		
	Royalty Income - Patent (Refer Note 39)	104,754	239,140
	Consulting Income	-	6,000

	<u>Other Operating Revenue</u>		
	Sale of scrap	100	172
	Revenue from Operations	434,011	388,827
	Detail of Sale of Products / Services		
	<u>Finished goods sold</u>		
	Water Soluble Films	96,453	67,263
		96,453	67,263
	<u>Traded goods sold</u>		
	Cleaning Products	11,227	10,335
	Other Business	221,476	65,918
		232,703	76,253
	Goods and Service Tax (GST) has been effective from July 1, 2017. Consequently, excise duty, value added tax (VAT), Service tax etc. have been replaced with GST. Until June 30, 2017, 'Sale of product' included the amount of excise duty recovered on sales. With effect from July 1, 2017, 'Sales of products' excludes the amount of GST recovered. Accordingly, revenue from 'Sale of Products' and 'Revenue from operations' for the year ended March 31, 2019 are not comparable with those of the previous year.		
25	Other Income		
		Year ended	
		March 31, 2019	March 31, 2018
	<u>Dividend Income</u>		
	From Non-current Investment in Mutual Fund measured at Fair Value through profit or loss	5,241	8,377
	From Non-current Equity instruments in Subsidiaries measured at cost	60,610	85,276
	<u>Interest Income received on Financial Assets - Carried at amortised cost</u>		
	On Fixed Deposit with Bank	199	1,040
	On Loans and Deposits	1,567	235
	Foreign Exchange Gain (net)	1,437	1,741
	Net Gain on Sale of non-current Investments in Mutual Fund	6,293	3,283
	Miscellaneous Income	1,307	1,587
	Gain on Forward Contract	10	-
	Net Gain on Fair valuation of non-current Investments in Mutual Fund measured at Fair value through Profit and Loss	-	953
	Service Fee	236	-
		76,900	102,492

26	Cost of raw materials consumed		
		Year ended	
		March 31, 2019	March 31, 2018
	Inventory at the beginning of the year	8,272	4,545
	Add: Purchases	40,645	38,302
	Less: Inventory at the end of the year	12,248	8,272
		36,669	34,575
27	Change in inventory of finished goods, work-in-progress and stock in trade		
		Year ended	
		March 31, 2019	March 31, 2018
	<u>Inventories at the end of the year</u>		
	Stock In Trade	21,398	12,239
	Work-in-progress	11,821	16,963
	Finished goods	9,102	6,825
	<u>Inventories at the beginning of the year</u>		
	Stock In Trade	12,239	4,885
	Work-in-progress	16,963	2,935
	Finished goods	6,825	5,919
		(6,293)	(22,287)
28	Employee benefits expense		
		Year ended	
		March 31, 2019	March 31, 2018
	Salary, Wages and Bonus	80,718	62,734
	Contribution to Provident and other funds (Refer note 38)	2,314	2,106
	Gratuity and Leave Encashment (Refer note 38)	2,140	3,646
	Staff welfare expenses	2,054	2,175
		87,226	70,661
29	Other expenses		
		Year ended	
		March 31, 2019	March 31, 2018
	Consumption of stores and spares	2,446	3,072
	Repair and Maintenance - Building	626	851
	Repair and Maintenance - Machinery	1,123	1,012
	Repair and Maintenance - Other	1,838	2,165
	Rent (Refer note 35)	5,073	5,044

	Insurance	646	413
	Power and Fuel	22,956	22,940
	Labour Charges	5,618	5,910
	Factory Expenses	2,273	1,742
	Selling and Promotion Expenses	1,491	4,741
	Freight and Forwarding	6,094	4,963
	Lease Rent and Hire Charges (Refer note 35)	11,019	10,699
	Postage and Telephone Expenses	1,907	2,335
	Printing and Stationery	1,161	1,099
	Travelling and Conveyance	22,394	17,585
	Legal and Professional Charges	11,472	12,424
	Impairment Loss on Investment in subsidiaries and Associates	-	2,295
	Patent Charges	4,724	2,293
	Donations	500	4,500
	Provision For Advances	649	146
	Provision For Doubtful debts	2,492	1,212
	Payment to Auditors (exclusive of service tax & GST) (Refer note no 30)	1,549	1,408
	Corporate Social Responsibility Expense (Refer note no 31)	2,100	2,461
	Bank Charges	484	624
	Net Loss on Fair valuation of non-current Investments in Mutual Fund measured at Fair value through Profit and Loss	3,824	-
	Sundry Balances written off	-	12
	Miscellaneous Expenses	4,862	3,610
		119,321	115,556
30	Payment to Auditors (exclusive of service tax & GST)		
		Year ended	
		March 31, 2019	March 31, 2018
	As auditor		
	Auditors Remuneration	950	800
	Tax audit fees	200	200
	Limited review fees	300	300
	<u>Other Capacity</u>		
	Other services (Certification fees)	80	95
	Reimbursement of expenses	19	13
		1,549	1,408
31	Corporate Social Responsibility Expense		

		Year ended	
		March 31, 2019	March 31, 2018
	<u>Gross amount required to be spent during the year</u>		
	Corporate Social Responsibility Expense	2,466	2,505
	<u>Amount spent during the year (paid in cash)</u>		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above	2,100	2,461
	<u>Amount spent during the year (yet to paid in cash)</u>		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above	-	-
		2,100	2,461

32	Income taxes		
a.	Income tax expense is as follows:		
		Year ended	
		March 31, 2019	March 31, 2018
	Statement of Profit and Loss		
	Current tax:		
	Tax for the year	11,010	32,276
	Adjustments for current tax of prior periods	-	-
	Total current tax expense	11,010	32,276
	Deferred tax:		
	Deferred tax expenses	(2,773)	(2,442)
	Total deferred tax expense	(2,773)	(2,442)
	Income tax expense	8,237	29,834
	Other comprehensive income		
	Deferred tax related to OCI items:		
	Net loss on remeasurements of defined benefit plans	77	109
		77	109

b.	Reconciliation of effective tax rate				
	A reconciliation of income tax expense as included in the statement of profit and loss to the amount computed by applying the weighted average enacted income tax rate to income before income taxes is summarized below:				
		Year ended			
		March 31, 2019		March 31, 2018	
	Profit before tax	10,138		181,307	
	Tax at the Indian tax rate	29.12%	2,952	28.84%	52,289
	Tax effects on amounts which are not deductible (taxable) in calculating taxable				

income					
Tax effect of:					
Differences in tax rates in respect of royalty income	0.00%	-	9.35%	16,957	
Differences in tax rates in respect of dividend from foreign subsidiary & Short term capital gain on sale of Mutual Fund	115.31%	11,689	8.45%	15,321	
Non-deductible expenses	-18.64%	(1,889)	0.33%	607	
Exempt income	-15.05%	(1,526)	-1.33%	(2,416)	
Others	-0.60%	(61)	-0.35%	(634)	
	81.25%	8,237	16.45%	29,834	

c.	Deferred Tax Liabilities (net)				
	(i) Movement in deferred tax liabilities for the year ended March 31, 2019				
		Net balance	Recognised	Recognised	Net balance
		March 31, 2018	through Profit and Loss	through OCI	March 31, 2019
	Property, plant and equipment	4,665	(1,231)	-	3,434
	Fair valuation of investments in mutual fund	3,697	(891)	-	2,806
	provision for doubtful debts and Advances and disallowances under Section 43B of the Income tax Act, 1961	(2,209)	(676)	(77)	(2,962)
	Others	322	25	-	347
		6,475	(2,773)	(77)	3,625
	(ii) Movement in deferred tax liabilities for the year ended March 31, 2018				
		Net balance	Recognised	Recognised	Net balance
		March 31, 2017	through Profit and Loss	through OCI	March 31, 2018
	Property, plant and equipment	6,730	(2,065)	-	4,665
	Fair valuation of investments in mutual fund	3,441	256	-	3,697
	provision for doubtful debts and Advances and disallowances under Section 43B of the Income tax Act, 1961	(1,321)	(779)	(109)	(2,209)
	Others	176	146	-	322
		9,026	(2,442)	(109)	6,475

33	Earnings Per Share		
	Calculation of basic and diluted Earnings per share is as follows:		
		Year ended	

	March 31, 2019	March 31, 2018
Profit for the year attributable to Owners of the Company	1,901	151,473
Weighted average number of equity shares		
- Basic	11,739,948	11,739,948
- Diluted	11,739,948	11,739,948
Earnings per share (in ₹)		
- Basic	0.16	12.90
- Diluted	0.16	12.90

34	Contingent liabilities and Commitments			
			As at	
			March 31, 2019	March 31, 2018
	<u>Contingent Liabilities</u>			
	(a) Sales tax matters not acknowledged as debt (amount paid under protest ₹ 349 (Previous year: ₹ 349))		76,910	81,063
	(b) Income tax matters not acknowledged as debt (amount paid under protest ₹ 1,304 (Previous year: ₹ 1,304))		10,537	10,537
	(c) Bank Guarantees given		10,291	6,340
			97,738	97,940

35	Leases			
	The Company has entered into operating lease agreements for the rental of its office premises for a period of 3 to 5 years as defined in the Indian Accounting Standard 17 and there are no restrictions imposed by the lease arrangements. Significant terms of lease agreement are :			
	a. No transfer of ownership on termination of lease			
	b. No compensation for transfer on termination of lease			
	Lease rental expenses recognized in the Statement of Profit and Loss in respect of operating leases for the year and the lease rentals payable (minimum lease payments) for non-cancellable operating lease are as follows:			
			As at	
			March 31, 2019	March 31, 2018
	Lease rent expenses for the year *		16,092	15,743
	<u>Minimum lease payments</u>			
	(a) Due within one year		7,167	8,548
	(b) Due later than one year and not later than five years		2,566	6,791
	(c) Due later than five years		-	-
	*Lease Rent Expenses for March 31, 2019 include Rent on Machinery and Amortization of expenses of ₹ 11,019 (PY ₹ 10,699)			

36	Based on the guiding principles given in Ind AS 108 - "Operating segments", the Company is primarily engaged in the business of Manufacturing of Water Soluble Film. As the Company's business activity falls within a single primary business segment, the disclosure requirements of Ind AS-108 in this regard are not applicable.				
37	Micro, Small and Medium Enterprises				
	To the extent, the Company has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under				
				As at	
				March 31, 2019	March 31, 2018
	Principal amount remaining unpaid at the end of the year			291	69
	Interest due thereon			19	-
	Interest remaining accrued and unpaid at the end of the year			19	-
	Total Interest accrued and remained unpaid at year end			19	-
38	Employee benefit obligations				
i)	Defined Contribution Plans				
	Provident Fund: Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.				
	Contribution to Defined Contribution Plans, recognized as expense for the year as under:				
				Year ended	
				March 31, 2019	March 31, 2018
	Employer's Contribution to Provident Fund			1,943	1,728
	Employer's Contribution to Employees State Insurance Corporation			371	378
ii)	Defined Benefits Plans				
	Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The fair value of the plan assets of the trust administered by the Company, is deducted from the gross obligation.				
	The following table sets forth the status of the gratuity plan of the Company, and the amounts recognized in the Balance sheet and Statement of Profit and Loss.				

Funding :				
The Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC, a funded defined benefit plan for qualifying employees				
Reconciliation of the net defined benefit obligation:				
			Year ended	
			March 31, 2019	March 31, 2018
Opening defined benefit obligation			5,380	1,743
Benefits paid			(97)	-
Current service cost			509	349
Interest cost			419	129
Past service cost			-	2,809
Actuarial losses / (gain) recognized in other comprehensive income				
changes in financial assumptions			4	(127)
experience adjustments			215	477
Closing defined benefit obligation			6,429	5,380
Reconciliation of the fair value of plan assets:				
			Year ended	
			March 31, 2019	March 31, 2018
Opening fair value of plan assets			3,308	2,147
Interest Income			257	159
Employer contributions			2,257	1,027
Benefits paid			(97)	-
Actuarial gains on Plan Assets			(45)	(25)
Closing fair value of plan assets			5,679	3,308
Balance Sheet reconciliation				
			As at	
			March 31, 2019	March 31, 2018
Opening defined benefit obligation			5,380	1,743
Opening fair value of plan assets			(3,308)	(2,147)
Expenses recognised in profit and loss			670	3,128
Expenses recognised in Other Comprehensive Income			265	375
Employer contributions			(2,257)	(1,027)
Net (Asset) / Liability recognised in the Balance			750	2,072

Sheet				
Expenses recognised in Statement of Profit and Loss:				
			Year ended	
			March 31, 2019	March 31, 2018
Current service cost			509	349
Interest cost			161	(30)
Past Service Cost			-	2,809
			670	3,128
Remeasurements recognised in other comprehensive income				
			Year ended	
			March 31, 2019	March 31, 2018
Actuarial (gain) loss on defined benefit obligation			219	350
Return on plan assets excluding interest income			45	25
			265	375
Analysis of plan assets				
			As at	
			March 31, 2019	March 31, 2018
Insurer managed funds (%)			100%	100%
Others (%)			0%	0%
			100%	100%
Maturity profile of defined benefit obligation				
			As at	
			March 31, 2018	March 31, 2017
1 Year			2,194	2,280
2 to 5 years			986	665
6 to 10 years			1,853	1,411
More than 10 years			8,025	6,283
Actuarial assumption				
Principal actuarial assumption used to determine net periodic benefit cost and benefit obligation at the reporting dates;				

		As at	
		March 31, 2019	March 31, 2018
	Discount Rate (p.a.)	7.77%	7.78%
	Salary escalation rate (p.a.)	5.00%	5.00%
	Expected rate of return on assets	7.77%	7.78%
	Attrition rate	Service < 5 - 10% Service >=5 - 3%	Service < 5 - 10% Service >=5 - 3%
	Mortality rate during employment	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
	Mortality rate after employment	NA	NA
	Notes :		
	Salary escalation rate: The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
	Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.		
	Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.		
	The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.		
	Sensitivity analysis		
	Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below;		
		Year ended	
		March 31, 2019	March 31, 2018
	Projected Benefit Obligation on Current Assumptions	6,429	5,380
	Discount Rate: 1% increase	(383)	(293)
	Discount Rate: 1% decrease	445	342
	Future salary growth: 1% increase	301	257
	Future salary growth: 1% decrease	(264)	(239)
	Change in Rate of Employee Turnover : 1% Increase	167	139
	Change in Rate of Employee Turnover : 1% Decrease	(191)	(160)

Expected Contribution				
		Year ended		
		March 31, 2019	March 31, 2018	
	Prescribed Contribution	1,473	2,581	
iii)	Compensated absences			
	The Company accrues for the compensated absences, a long term employee benefit plan based on the entire available leave balance standing to the credit of the employees at year end. The value of such leave balance eligible for carry forward, is determined by actuarial valuation as at the Balance sheet date and is charged to Statement of profit and loss in the period determined. The provision as at balance sheet dates are as follows:			
		As At		
		March 31, 2019	March 31, 2018	
	Compensated absences liability	2,226	1,068	
	Actuarial assumption			
		As at		
		March 31, 2019	March 31, 2018	
	Discount rate	7.77%	7.78%	
	Long-term rate of compensation increase	5.00%	5.00%	
	Expenses recognised in Statement of Profit and Loss towards compensated absences are ₹ 1,470 (PY ₹ 518)			

39	Related party disclosures			
a)	Related parties and their relations			
	Name of Related Party	Relationship		
	Arrow Green Technologies (UK) Limited	Subsidiary Company		
	Arrow Secure Technology Private Limited			
	Avery Pharmaceuticals Private Limited			
	LQ Arrow Security Products (India) Private Limited			
	Advance IP Technologies Limited	Step Down Subsidiary Company		
	SP Arrow Bio Polymer Products Private Limited	Associate Company		
	Sphere Bio Polymer Private Limited			
	Mr. Shilpan Patel - Managing Director	Key Management Personnel (KMP)		
	Mr. Neil Patel - Joint Managing Director			
	Mr. Hitesh Punglia - Chief Financial Officer			
	Mrs. Poonam Bansal - Company Secretary			
	Mrs. Jigisha S Patel	Relative of key management personnel		
	Mrs. Manisha Sindhi	Relative of key management personnel		

	Arrow Convertors Private Limited	Enterprises over which Key Management Personnel are able to exercise significant influence			
b)	Transaction with Related Parties & Outstanding Balance as on March 31, 2018 and March 31, 2019 :				
		Transactions for the year ended		Balances receivable/(payable) as of	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	<u>Arrow Green Technologies (UK) Limited</u>				
	Royalty Income - Patent	59,209	163,020	-	-
	Sale of Finished Goods	7,606	1,925	455	-
	<u>Advance IP Technologies Limited</u>				
	Royalty Income - Patent	45,545	76,121	-	-
	Purchase of Machinery	5,388	-	(5,438)	-
	<u>Avery Pharmaceuticals Private Limited</u>				
	Loan given to Avery Pharmaceuticals Private Limited	47,000	-	42,000	-
	Loan re-paid by Avery Pharmaceuticals Private Limited	5,000	-	-	-
	Interest on Loan given	1,180	-	1,180	-
	Sale of Product Development	3,503	-	3,503	-
	Sale of Services	236	-	236	-
	Reimbursement of Expenses	-	94	-	-
	<u>Mr. Shilpan P. Patel</u>				
	Rent Expenses	1,080	960	(745)	(311)
	<u>Arrow Convertors Private Limited</u>				
	Rent Expenses	540	540	-	-
	<u>Investment in subsidiaries</u>				
	Arrow Green Technologies (UK) Limited	-	-	1,602	1,602
	Avery Pharmaceuticals Private Limited	-	2,475	2,475	2,475
	LQ Arrow Security Products (India) Private Limited	-	2,500	1,275	2,500
	<u>Impairment Loss on Investment in subsidiary</u>				

Arrow Secure Technology Private Limited	-	2,200	-	-
<u>Impairment Loss on Investment in Associates</u>				
SP Arrow Bio Polymer Products Private Limited	-	46	-	-
Sphere Bio Polymer Private Limited	-	49	-	-
<u>Remuneration to Key Managerial Personnel & Relatives</u>				
Mr. Shilpan P. Patel - Managing Director	7,500	7,500	-	-
Mr. Neil Patel - Joint Managing Director	7,500	7,500	-	-
Mr. Hitesh Punglia - Chief Financial Officer	4,941	4,121	-	-
Mrs. Poonam Bansal - Company Secretary	975	845	-	-
Mrs. Jigisha S Patel	741	681	-	-
Mrs. Manisha Sindhi	200	-	-	-

40 Financial Instruments - Accounting Classifications and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced of liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and cash equivalent, bank balances other than cash and cash equivalent, trade receivables, trade payables, other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

B	As at March 31, 2018	Carrying value				Fair value		
		Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
	Financial assets:							
	Non Current Financial Assets							
	Investments	-	248,970	-	248,970	248,970	-	-
	Loans	4,034	-	-	4,034	-	-	-
	Other financial asset	1,926	-	-	1,926	-	-	-

	Current Financial Assets								
	Trade Receivables	30,540	-	-	30,540	-	-	-	-
	Cash and cash equivalents	7,400	-	-	7,400	-	-	-	-
	Bank balances other than Cash and cash equivalents	5,120	-	-	5,120	-	-	-	-
	Loans	1,463	-	-	1,463	-	-	-	-
	Other financial assets	747	-	-	747	-	-	-	-
	Total	51,230	248,970	-	300,200	248,970	-	-	-
	Financial liabilities:								
	Trade payables	22,795	-	-	22,795	-	-	-	-
	Other financial liabilities	20,050	-	-	20,050	-	-	-	-
	Total	42,845	-	-	42,845	-	-	-	-

C	As at March 31, 2019	Carrying value				Fair value		
		Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
	Financial assets:							
	Non Current Financial Assets							
	Investments	-	116,961	-	116,961	116,961	-	-
	Loans	47,079	-	-	47,079	-	-	-
	Other financial asset	1,597	-	-	1,597	-	-	-
	Current Financial Assets							
	Trade Receivables	70,398	-	-	70,398	-	-	-
	Cash and cash equivalents	30,200	-	-	30,200	-	-	-
	Bank balances other than Cash and cash equivalents	6,401	-	-	6,401	-	-	-
	Loans	977	-	-	977	-	-	-
	Other financial assets	142	-	-	142	-	-	-
	Total	156,794	116,961	-	273,755	116,961	-	-
	Financial liabilities:							
	Trade payables	30,819	-	-	30,819	-	-	-
	Other financial liabilities	26,942	-	-	26,942	-	-	-

Total	57,761	-	-	57,761	-	-	-
During the reporting year ended 31 March 2019 and 31 March 2018, there was no transfer between level 2 and level 3 fair value measurements.							

41 Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

i) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk that company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increases in credit risk on other financial instruments of the same counterparty,

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in Statement of Profit and Loss.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Credit terms are in line with industry trends.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows

	As at	
	March 31, 2019	March 31, 2018
Less than 180 days	67,134	29,534
From 181 - 365 days	2,577	1,651
More than 365 days	5,076	1,252
Total	74,787	32,437
Less : Impairment allowance	4,389	1,897
Total	70,398	30,540

Expected credit loss assessment for customers as at March 31, 2018 and March 31, 2019

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows

	Amount
Balance as at April 1, 2017	685
Impairment loss recognised	1,212
Amounts written off / written back	-
Balance as at March 31, 2018	1,897
Impairment loss recognised	2,492
Amounts written off / written back	-
Balance as at March 31, 2019	4,389

Cash and bank balance

The Company held cash and bank balance with credit worthy banks and financial institutions of ₹ 36,601 and ₹ 12,520 as at March 31, 2019 and March 31, 2018, respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

	As at			
	March 31, 2019		March 31, 2018	
	Less than 1 year	1 to 3 years	Less than 1 year	1 to 3 years
Non derivative				
Trade payables	30,819	-	22,795	-
Other financial liabilities	26,942	-	20,050	-
Bank Guarantee given	6,116	4,175	2,393	3,947

iv) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables and payables.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and ensuring compliance with market risk limits and policies.

a) Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk. The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Foreign currency exposure		US\$	EUR	GBP	Total
March 31, 2019.					
Financial assets					
Trade receivables		1,834	2,129	457	4,420
Net exposure to foreign currency risk (assets)		1,834	2,129	457	4,420
Financial Liabilities					
Trade payables		8,110	6,252	4,900	19,262
Less: Forward against Import		(2,179)	(5,389)	-	(7,568)
Other financial liabilities		-	-	5,438	5,438
Net exposure to foreign currency risk (liabilities)		5,931	863	10,338	17,132
Rupee Conversion Rate		69.17	77.70	90.48	
March 31, 2018					
Financial assets					
Trade receivables		1,725	1,744	2	3,471
Net exposure to foreign currency risk (assets)		1,725	1,744	2	3,471
Financial Liabilities					
Trade payables		3,372	971	1,026	5,369
Other financial liabilities		-	-	-	-
Net exposure to foreign currency risk (liabilities)		3,372	971	1,026	5,369
Rupee Conversion Rate		65.04	80.62	92.28	

Foreign currency sensitivity

The table below demonstrates sensitivity impact on profit after tax and total equity due to change in foreign exchange rates of currencies where it has significant exposure:

Foreign currency	March 31, 2019.		March 31, 2018	
	1% Increase	1% Decrease	1% Increase	1% Decrease
US\$	(29.04)	29.04	(11.68)	11.68
EUR	8.97	(8.97)	5.48	(5.48)
GBP	(70.03)	70.03	(7.26)	7.26

42 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company and borrowings. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its funds in a manner that it achieve maximum returns (net of taxes) with minimum risk to the capital and consider the liquidity concerns for its working capital requirements.

43 In compliance with Ind AS 27 "Separate Financial Statements" the required information is as under

Subsidiaries	Principal place of business/country of incorporation	Percentage of ownership	
		Interest as on	
		31-Mar-19	31-Mar-18
		%	%
Arrow Green Technologies (UK) Limited	United Kingdom	100	100
Advance IP Technologies Limited	United Kingdom	95	95
Arrow Secure Technology Private Limited	India	100	100
Avery Pharmaceuticals Private Limited	India	99	99
LQ Arrow Security Products (India) Private Limited	India	51	100
Associates	Principal place of business/country of incorporation	Percentage of ownership	
		Interest as on	
		31-Mar-19	31-Mar-18
		%	%
SP Arrow Bio Polymer Products Private Limited	India	46	46
Sphere Bio Polymer Private Limited	India	49	49

44 Comparative previous year's figures have been reworked, regrouped and reclassified to the extent possible, wherever necessary to confirm to current year's classification and presentation.

For and on behalf of the Board of
Directors of
Arrow Greentech Limited

Shilpan Patel
Managing Director

DIN No: 00341068

Hitesh Punglia
Chief Financial
Officer

Neil Patel
Jt. Managing
Director

DIN No: 00607101

Poonam Bansal
Company
Secretary

Place : Mumbai

Date : May 18, 2019

AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2018-19**INDEPENDENT AUDITOR'S REPORT****To the Members of Arrow Greentech Limited****Report on the Audit of the Consolidated Ind AS Financial Statements****Opinion**

We have audited the accompanying consolidated Ind AS financial statements of Arrow Greentech Limited (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its associates comprising of the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements of the subsidiaries and associates, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards (“Ind AS”), of the consolidated state of affairs of the Group and its associates, as at March 31, 2019, their consolidated loss (including other comprehensive income), consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other Information

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Board’s Report and annexures thereto and Business Responsibility report, but does not include the Ind AS financial statements and our auditor’s report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its associates or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error,

as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiaries and its associates, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the Ind AS financial statements of five subsidiaries (including one step down subsidiaries), whose Ind AS financial statements reflects total assets of Rs. 381,554 thousand and net assets of Rs. 330,148 thousand as at March 31, 2019, total revenues of Rs. 22,101 thousand and net cash outflows amounting to Rs. 130,940 thousand for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include Group's share of net profit of Rs. nil for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of two associates, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated Ind AS financial statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report, to the extent applicable, 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 purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;

- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on March 31, 2019 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 with reference to financial statements of the Holding Company, its subsidiary companies and its associate companies incorporated in India and the operating effectiveness of such controls, we give our separate report in the “Annexure”;
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act;

In our opinion and to the best of our information and according to the explanations given to us by the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, the remuneration paid/ provided to their directors during the year by the Holding Company, subsidiary companies and associate companies incorporated in India is in accordance with the provisions of section 197 of the Act;

- h. With respect to the other matters to be included in the Auditor’s 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 explanations given to us:
 - (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates - Refer Note 35 to the consolidated Ind AS financial statements;
 - (ii) Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer (a) Note 41 and Note 46 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group and its associates; and (b) the Group’s share of net loss in respect of its associates;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associate companies incorporated in India.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048
Sd/-
Snehal Shah
Partner
Membership No.048539
Mumbai: May 18, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Arrow Greentech Limited on the consolidated Ind AS financial statements for the year ended March 31, 2019]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of Arrow Greentech Limited ("Company" or "the Holding Company") as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 and the audit evidence obtained by the other auditors, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 and based on the consideration of reporting of other auditors as mentioned in Other Matters paragraph below, the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India,, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to three subsidiary companies and two associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048
Sd/-
Snehal Shah
Partner
Membership No.048539
Mumbai: May 18, 2019

Consolidated Balance Sheet as at March 31, 2019			
(All amounts in Indian Rupees in thousand unless otherwise stated)			
Particulars	Note No.	As at	
		March 31, 2019	March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	211,100	241,412
Capital work-in-progress	3	14,441	-
Intangible assets	3	15,751	18,469
Intangible assets under development	3	9,751	6,593
Investment Property	4	1,421	1,494
<u>Financial assets</u>			
(i) Investments	5	166,017	294,634
(ii) Loans	6	4,517	4,034
(iii) Other financial asset	7	6,397	3,988
Income tax assets (Net)	8	11,736	7,173
Other non-current assets	9	67,312	18,984
Total Non- current assets		508,443	596,781
Current assets			
Inventories	10	58,898	46,109
<u>Financial assets</u>			
(i) Trade Receivables	11	76,021	79,932
(ii) Cash and cash equivalents	12	177,018	290,524
(iii) Bank balances other than (ii) above	13	6,401	5,120
(iv) Loans	14	1,049	1,463
(v) Other financial assets	15	186	2,955
Other current assets	16	37,571	34,125
Total current assets		357,144	460,228
TOTAL ASSETS		865,587	1,057,009
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	117,399	117,399
Other Equity	18	661,183	859,140
Equity attributable to owners		778,582	976,539
Non controlling interest		16,310	19,707

Total Equity			794,892	996,246
Non-current liabilities				
<u>Financial Liabilities</u>				
	(i) Borrowings	19	369	507
Provisions		20	1,643	800
Deferred tax liabilities (Net)		33	3,736	7,636
Total Non current Liabilities			5,748	8,943
Current liabilities				
<u>Financial liabilities</u>				
(i)	Trade payables	21		
	- Total outstanding dues to Micro and Small Enterprises		291	69
	- Total outstanding dues to others		33,985	25,011
(ii)	Other financial liabilities	22	25,550	21,832
Provisions		23	1,333	2,340
Other current liabilities		24	3,788	2,568
Total current Liabilities			64,947	51,820
Total Liabilities			70,695	60,763
TOTAL EQUITY AND LIABILITIES			865,587	1,057,009
Significant accounting policies		2		
The accompanying notes are an integral part of these financial statements (1-48).				
As per our report of even date				
		For and on behalf of the Board of Directors of		
For Haribhakti & Co. LLP		Arrow Greentech Limited		
Chartered Accountants				
ICAI Firm registration number: 103523W / W100048				
Snehal Shah		Shilpan Patel	Neil Patel	
Partner		Managing Director	Jt. Managing Director	
Membership No: 048539		DIN No: 00341068	DIN No: 00607101	
Place : Mumbai		Hitesh Punglia	Poonam Bansal	
Date : May 18, 2019		Chief Financial Officer	Company Secretary	

Consolidated Statement of Profit and Loss for the year ended March 31, 2019			
(All amounts in Indian Rupees in thousand unless otherwise stated)			
Particulars	Notes	Year Ended	
		March 31, 2019	March 31, 2018
INCOME			
Revenue from operations	25	342,922	347,274
Other Income	26	16,169	22,687
TOTAL INCOME		359,091	369,961
EXPENSES			
Cost of raw materials consumed	27	36,668	34,575
Purchase of stock-in-trade		229,437	70,906
Change in inventory of finished goods, work-in-progress and stock in trade	28	(8,950)	(23,105)
Excise Duty on sales		-	1,453
Employee benefits expense	29	92,418	71,886
Depreciation and amortisation expense	3	37,012	43,802
Other expenses	30	142,989	138,071
TOTAL EXPENSES		529,574	337,588
Profit before tax		(170,483)	32,373
Income tax expense	33		
Current Tax		11,010	32,276
Adjustment of tax relating to earlier periods (net)		(9,013)	824
Deferred Tax		(3,817)	(2,442)
Total tax expense		(1,820)	30,658
Profit after tax		(168,663)	1,715
Other comprehensive income :			
(i) Items that will be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		(7,484)	66,400
(ii) Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit obligations gains / (loss)		(265)	(375)
- Income tax relating to the above items		77	109

			(188)	(265)
Other comprehensive income for the year, net of tax		(7,672)	66,135	
Total comprehensive income for the year		(176,335)	67,849	
Profit attributable to:				
Owners of equity		(166,802)	2,747	
Non-controlling interest		(1,861)	(1,032)	
			(168,663)	1,715
Total comprehensive income attributable to:				
Owners of equity		(174,474)	68,882	
Non-controlling interest		(1,861)	(1,032)	
			(176,335)	67,850
Earnings per equity share (₹)				
Basic and Diluted [Nominal value of the shares ₹. 10 (March 31, 2018 : ₹. 10)]	34	(14.21)	0.23	
The accompanying notes are an integral part of these financial statements (1-48).				
As per our report of even date				
			For and on behalf of the Board of Directors of	
For Haribhakti & Co. LLP		Arrow Greentech Limited		
Chartered Accountants				
ICAI Firm registration number: 103523W / W100048				
Snehal Shah		Shilpan Patel	Neil Patel	
Partner		Managing Director	Jt. Managing Director	
Membership No: 048539		DIN No: 00341068	DIN No: 00607101	
Place : Mumbai		Hitesh Punglia	Poonam Bansal	
Date : May 18, 2019		Chief Financial Officer	Company Secretary	

Consolidated Cash flow statement for the year ended March 31, 2019			
(All amounts in Indian Rupees in thousand unless otherwise stated)			
Particulars	Year Ended		
		March 31, 2019	March 31, 2018
<u>Operating activities</u>			
Profit before tax		(170,483)	32,373
<u>Adjustment to reconcile profit before tax to net cash flows</u>			
Depreciation of property, plant and equipment		37,012	43,802
Fair value gain on non-current investments		(1,263)	(1,175)
Exchange differences on translation of assets & liabilities		(10,115)	54,077
Provision For Doubtful Debt		2,492	1,212
Provision For Doubtful Advances		649	146
Sundry Balance Written Off		-	295
Investment in Associate Written Off		-	2,106
Net gain on sale of Long term Investments		(7,540)	(3,283)
Interest Income		(932)	(1,662)
Dividend Income		(5,346)	(8,431)
		(155,525)	119,460
Working capital adjustments:			
Decrease/ (Increase) in Loans and Advances		(69)	(1,730)
Decrease/ (Increase) in non-current assets		(38)	111
Decrease / (Increase) in trade receivables		1,419	14,312
Decrease/ (Increase) in current assets		(4,095)	(14,955)
Decrease/ (Increase) in Inventories		(12,789)	(26,363)
Increase/ (Decrease) in provisions		(429)	2,004
Increase/ (Decrease) in trade payables		9,196	2,143
Increase/ (Decrease) in other financial Liabilities		3,204	(5,680)
Increase/ (Decrease) in other Liabilities		1,220	(918)
Increase/ (Decrease) in other Financial assets		2,198	(2,208)
		(155,708)	86,177
Income tax paid		(6,560)	(35,979)
Net cash flows / (used in) from operating activities (A)		(162,268)	50,198

Investing activities		
Purchase of Fixed assets including CWIP	(65,941)	(27,907)
Purchase of mutual fund investment, net	137,420	(106,418)
Investments in Bank deposits	(3,690)	1,296
Dividend Received	5,926	5,852
Interest Received	923	1,698
Net cash flows / (used in) from investing activities (B)	74,638	(125,479)
Financing activities:		
Dividend paid, including dividend tax	(25,738)	(61,634)
Repayment of Borrowings	(138)	-
Net cash flows (used in) financing activities (C)	(25,876)	(61,634)
Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C)	(113,506)	(136,914)
Cash and Cash equivalents at the beginning of the year	290,524	427,438
Cash and Cash equivalents at the end of the year (Refer note - 12)	177,018	290,524
Notes:		
Above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS -7) "Statement of Cash Flow"		
The accompanying notes are an integral part of these financial statements (1-48).		
As per our report of even date		
	For and on behalf of the Board of Directors of	
For Haribhakti & Co. LLP	Arrow Greentech Limited	
Chartered Accountants		
ICAI Firm registration number: 103523W / W100048		
Snehal Shah	Shilpan Patel	Neil Patel
Partner	Managing Director	Jt. Managing Director
Membership No: 048539	DIN No: 00341068	DIN No: 00607101
Place : Mumbai	Hitesh Punglia	Poonam Bansal
Date : May 18, 2019	Chief Financial Officer	Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2019				
(All amounts in Indian Rupees in thousand unless otherwise stated)				
a. Equity shares of ₹ 10 each issued, subscribed and fully paid				
	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
Balance at the beginning	11,739,948	117,399	11,739,948	117,399
Changes in equity share capital during the year	-	-	-	-
Balance at the end	11,739,948	117,399	11,739,948	117,399

b. Other Equity								
Attributable to owners								
	Reserves and Surplus				Other Reserves	Total other equity	Non Controlling interest	Total
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Currency Translation Reserve			
Balance at April 01, 2017	29,199	8,218	200	882,149	(63,761)	856,005	17,945	873,950
Profit for the year	-	-	-	2,747	-	2,747	(1,032)	1,715
Other comprehensive income (net of tax)	-	-	-	(265)	66,400	66,135	-	66,135
Dividend	-	-	-	(65,747)	-	(65,747)	2,794	(62,953)
Balance at March 31, 2018	29,199	8,218	200	818,884	2,639	859,140	19,707	878,847
Profit for the year	-	-	-	(166,802)	-	(166,802)	(1,861)	(168,663)
Other comprehensive income (net of tax)	-	-	-	(188)	(7,484)	(7,672)	-	(7,672)
Dividends	-	-	-	(23,483)	-	(23,483)	(2,769)	(26,252)
Equity	-	-	-	-	-	-	1,233	1,233
Balance at March 31, 2019	29,199	8,218	200	628,411	(4,845)	661,183	16,310	677,493
The accompanying notes are an integral part of these financial statements (1-48).								

Arrow Greentech Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2019

(All amounts in Indian Rupees in thousand unless otherwise stated)

1. Corporate Information

Arrow Greentech Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. Its shares are listed on BSE & NSE in India. The company is engaged in business of bio-degradable products and having Patents income for such products/technology. The company caters to both domestic and international markets.

2. Significant Accounting Policies

A Basis of accounting and preparation of Financial Statements:

Compliance with Indian Accounting Standards (Ind AS):

These Consolidated Ind AS Financial Statements ("Consolidated Financial Statements") of the Company and its subsidiaries ("the Group"), have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. These Consolidated Financial Statements were authorized for issue by the Company's Board of Directors on May 18, 2019

Functional and Presentation Currency

These Consolidated Financial Statements are presented in Indian rupees, which is the functional currency of the parent Company. All financial information presented in Indian rupees has been rounded to the nearest thousand, except otherwise indicated

Basis of measurement

These Consolidated Financial Statements are prepared under the historical cost convention unless otherwise indicated.

Use of Estimates and Judgements

The preparation of the Consolidated Financial Statements in conformity with Ind AS requires Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates used in preparation of the Consolidated Financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the year in which the results are known/ materialise. Estimates and underlying assumptions are reviewed on an ongoing basis.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the accounting policies.

The areas involving critical estimates or judgments are:

- Measurement of defined benefit obligations (Refer note 39)

- Measurement and likelihood of occurrence of provisions and contingencies (Refer note 35)
- Estimation of Tax expenses and Liability (Refer note 8 and 33)
- Useful lives of property, plant, equipment and intangibles (Refer note 3)
- Impairment of financial assets such as trade receivables (Refer note 42)
- Revenue recognition

B Principles of consolidation:

i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases.

ii) Non - Controlling Interest (NCI)

The non-controlling interests comprise the portion of equity of subsidiaries that are not owned, directly or indirectly, by the Group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the Statement of Profit and Loss, consolidated statement of changes in equity and balance sheet respectively.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii) Loss of Control

When a Group loses control over a subsidiary, it derecognises the assets and the liabilities of the subsidiaries, and any NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date that control is lost. Any resulting gain or loss is recognised in Statement of Profit and Loss.

iv) Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction cost. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

v) Transactions eliminated on consolidation

Intra-group balance and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment

C Revenue Recognition

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The Group has adopted Ind AS 115 using the modified retrospective approach. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the group is expected to be entitled to in exchange for those goods or services.

The group recognizes provision for sales return, based on the historic results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

- i) Sale of products: Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.
- ii) Rendering of services: Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered.
- iii) Dividend income : Dividends are recognised in Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.
- iv) Insurance and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

D Property, Plant and Equipment, Depreciation and Impairment:

i) Recognition and measurement:

Property, plant and equipment are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated attributable costs of dismantling and removing the asset and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Gains or losses arising from derecognition of plant, property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use / disposed of.

ii) Depreciation:

Depreciation on Property, Plant and Equipment has been provided on written down value basis and manner prescribed in Schedule II to the Companies Act 2013. Leasehold Land on a straight line basis over the period of lease.i.e.99 years.

iii) Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a Straight Line Basis over their estimated useful lives. Costs related to patents are written off over the remaining useful life from the day of grant. Computer Softwares are amortized over a period of 3 years from the date of acquisition.

Expenditure on research and development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

iv) Capital work in Progress

Expenditure during the construction/ pre-operative period is included under Capital Work-in-Progress and same is allocated to the respective Property, Plant and Equipment on the completion of project.

E Investment Property

Investment property is property (land or a building or part of a building or both) held either to earn rental income or for capital appreciation or for both, but neither for sale in the ordinary course of business nor used in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Based on technical evaluation and consequent advice, the management believes a period of 54 years as representing the best estimate of the period over which investment property are expected to be used. Accordingly, the Group depreciates investment properties over a period of 54 years on a written down value basis.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property valued.

F Research and Development Cost:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a products' technical feasibility has been established, in which case such expenditure is capitalized.

Product development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Group are recognised as intangible assets if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefit are probable, the Group has intention and ability to complete and use or sell the assets and cost can be measured reliably.

The amount capitalized comprise expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Capitalised product development costs are recorded as intangible assets and amortised from the useful life as estimated by the management. Property, Plant and Equipment utilized for research and development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment.

G Impairment of Assets:

i) Financial assets

In accordance with Ind-AS 109, the Group applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI. Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount

that is required to be recognized is recognized as an impairment gain or loss in Statement of Profit and Loss.

ii) **Non-financial assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). The impairment loss is recognised as an expense in the Statement of Profit and Loss.

H Investments:

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the long term investments.

I Inventories:

- i) Raw Materials, packing materials, Stores and Spares are valued at lower of cost arrived on First In First Out method (FIFO) and Net Realisable Value. Cost of raw materials comprises cost of purchases.
- ii) Work-in-progress and Finished Goods are valued at lower of cost and Net Realisable Value. Cost of work-in-progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.
- iii) Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a FIFO basis.

Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

J Employee benefits:

i) **Short Term Obligations:**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

ii) **Other long-term employee benefit obligations:**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) **Post - employment obligations**

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund and Employee State Insurance Fund (ESIC).

Defined Benefit Plans - Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee Benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income they are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined contribution plan

The Group pays provident fund and ESIC contributions to publicly administered provident funds / ESIC as per local regulations. The Group has no further payment obligations once The contributions have been paid. The contributions are accounted for as Defined contribution Plans and The contributions are recognised as employee Benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

K Leases (where the Group is lessee):

At the inception of an arrangement, the Group determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values.

Leases of property, plant and equipment where the Group, as lessee, in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss as per the terms of the lease or on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

L Foreign Currency Transactions / Translations

i) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss as either profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income and expenses accordingly.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss in the Statement of Profit and Loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are included in net profit in the Statement of Profit and Loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as Fair Value through Other Comprehensive Income ("FVOCI") are recognised in other comprehensive income ("OCI").

ii) Foreign Operations

In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the monthly average exchange rates prevailing during the year. Resulting foreign currency differences are recognized in other comprehensive income/ (loss) and presented within equity as part of FCTR. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is reclassified to the Statement of Profit and Loss as a part of gain or loss on disposal.

M Income Tax

Income tax expense comprises current tax and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates items recognised directly in equity or in OCI.

The income tax expense or credit for the period is tax payable on the current year's taxable income based on the applicable income tax rate adjusted by change in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current tax comprises of expected tax payable or receivable on taxable income/loss for the year or any adjustment or receivable in respect of previous year. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amount expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the Balance Sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting date and are expected to apply to the Group when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits (Minimum alternate tax credit entitlement) only if it is probable that future taxable amounts will be available to utilise those temporary differences, unused losses and unused tax credits. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable or no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

N Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share is calculated by dividing:

- the net profit or loss after tax for the year attributable to owners of the Group , and
- the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

O Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

P Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The group does not recognize a contingent liability but discloses its existence in the financial statements.

Q Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet include cash on hand, cheques on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and overdrawn bank balances.

Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

R Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

S Derivatives and hedging activities

The Group holds derivative financial instruments such as forward contracts to mitigate risk of changes in exchange and interest rates. The counterparty for these contracts is generally banks.

(i) Cash flow hedges that qualify for hedge accounting:

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the Statement of Profit and Loss.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(ii) Derivatives that are not designated as hedges

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss and are included in other income / expenses. Assets/liabilities are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

T Financial instruments

a. Financial Liabilities

Initial recognition and measurement

Financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement

Financial liabilities are subsequently carried at fair value through profit and loss. For trade payables and other liabilities maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

b. Financial assets

Initial recognition and measurement

Trade Receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through

profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Group classifies financial assets as subsequently measured at amortised cost, fair value through OCI or fair value through profit and loss.

i) Financial assets amortised at cost

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely consisting payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Group decides to classify the same either as FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in OCI. Dividends on such equity instruments are recognised in the Statement of Profit or Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Dividends on such equity instruments are recognised in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows

from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- the Group has transferred substantially all the risks and rewards of the asset, or
- the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

U Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the group's normal operating cycle;
- b) it is held primarily for the purpose of being trade;
- c) it is expected to be realised on demand or within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.
All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the group's normal operating cycle;
- b) it is held primarily for the purpose of being trade;
- c) it is due to be settled in demand or within 12 months after the reporting date; or
- d) there is no unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.
All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

V Operating cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

VI Recent Accounting Pronouncements

Standards issued but not yet effective In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying new standards and amendments to certain issued standards. These amendments are applicable to the group from April 1, 2019. The group will be adopting the below stated new standards and applicable amendments from their respective effective date.

Ind AS 116, Leases:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Under IND AS 116, at commencement date, a lessee will recognise a liability to make lease payments i.e a lease liability and an asset representing the right to use the underlying asset during the lease term i.e the right of use asset. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 01, 2019. The group is currently evaluating the impact on account of implementation of IND AS 116 and on preliminary assessment the group does not expect any significant impact on account of implementation IND AS 116.

Amendment to Ind AS 12, Income Taxes:

The amendment clarifies that an entity shall recognize income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The group will apply these amendments for annual reporting periods beginning on or after April 1, 2019. The impact on the Financial Statements is being evaluated.

Other Amendments:

Amendments to Ind AS 103, Business Combinations

Amendments to Ind AS 109, Financial Instruments

Amendments to Ind AS 19, Employee Benefits

Amendments to Ind AS 28, Investments to Associates and Joint Ventures

Based on the preliminary assessment, the group does not expect these amendments to have any significant impact on its financial statements.

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3	Tangible and intangible assets												
		Gross carrying amount					Accumulated depreciation / amortisation					Net block	
		Carrying amount as at April 01, 2018	Additions during the year	Disposal during the year	Translation adjustments	As at March 31, 2019	As at April 01, 2018	Charge for the year	Disposal during the year	Translation adjustments	As at March 31, 2019	At March 31, 2018	At March 31, 2019
A	<u>Property, plant and equipment</u>												
	Leasehold Land	3,117	-	-	-	3,117	61	36	-	-	97	3,056	3,020
	Building	134,803	1,135	-	(1,938)	134,000	7,520	4,751	-	-	12,271	127,283	121,729
	Plant and Equipment	144,620	4,965	(10,436)	-	139,149	43,403	24,894	(5,798)	-	62,499	101,218	76,650
	Furniture and Fixtures	3,164	1,718	-	-	4,882	530	1,044	-	-	1,574	2,634	3,308
	Electrical Installation	2,808	165	-	-	2,973	677	588	-	-	1,265	2,131	1,708
	Laboratory Equipment	46	-	-	-	46	46	-	-	-	46	-	-
	Vehicles	3,888	-	-	-	3,888	1,755	618	-	-	2,373	2,133	1,515
	Office Equipment	2,117	1,600	-	-	3,717	753	1,029	-	-	1,782	1,364	1,935
	Computer	3,373	905	-	(1)	4,276	1,821	1,260	-	-	3,081	1,552	1,196
	Office Building (Refer note 1)	45	-	-	-	45	4	2	-	-	6	41	39
	Total A	297,981	10,488	(10,436)	(1,939)	296,094	56,569	34,222	(5,798)	-	84,994	241,412	211,100
B	<u>Capital work-in-progress</u>	-	14,441	-	-	14,441	-	-	-	-	-	-	14,441
	Total B	-	14,441	-	-	14,441	-	-	-	-	-	-	14,441
C	<u>Intangible assets</u>												
	Patent rights	21,424	-	-	(2)	21,422	2,955	2,716	-	-	5,671	18,469	15,751
	Total C	21,424	-	-	(2)	21,422	2,955	2,716	-	-	5,671	18,469	15,751

D	<u>Intangible assets under development</u>												
	Patent rights	4,174	588	-	-	4,762	-	-	-	-	-	4,174	4,762
	Product Development	1,143	5,449	(2,699)	-	3,893	-	-	-	-	-	1,143	3,893
	Software development	1,276	455	(635)	-	1,096	-	-	-	-	-	1,276	1,096
	Total D	6,593	6,492	(3,334)	-	9,751	-	-	-	-	-	6,593	9,751
	Total (A+B+C+D)	325,998	31,421	(13,770)	(1,941)	341,708	59,524	36,939	(5,798)	-	90,665	266,474	251,043

Note :

(1) Building having gross value of ₹.45 (P.Y. ₹. 45) is pending for registration in the name of the Holding Company. Management is of the opinion that the building will be transferred in the name of the Holding Company in due course.

3	Tangible and intangible assets											
		Gross carrying Amount					Accumulated depreciation / amortisation					
		Carrying Amount as at April 01, 2017	Additions during the year	Disposal during the year	Translation adjustments	As at March 31, 2018	As at April 01, 2017	Charge for the year	Disposal during the year	Translation adjustments	As at March 31, 2018	
A	<u>Property, plant and equipment</u>											
	Leasehold Land	3,117	-	-	-	3,117	25	36	-	-	61	
	Building	119,325	2,581	-	12,897	134,803	2,230	4,882	-	408	7,520	
	Plant and Equipment	130,198	13,273	-	1,149	144,620	9,214	33,636	-	553	43,403	
	Furniture and Fixtures	958	2,206	-	-	3,164	185	345	-	-	530	
	Electrical Installation	2,295	544	(31)	-	2,808	10	667	-	-	677	
	Laboratory Equipment	181	-	(135)	-	46	46	-	-	-	46	
	Vehicles	3,458	430	-	-	3,888	1,033	722	-	-	1,755	

	Office Equipment	931	1,186	-	-	2,117	303	450	-	-	753
	Computer	1,719	1,614	-	40	3,373	677	1,113	-	31	1,821
	Office Building (Refer note 1)	45			-	45	2	2	-	-	4
	Total A	262,227	21,834	(166)	14,086	297,981	13,725	41,853	-	992	56,569
B	Capital work-in-progress	116	-	(116)	-	-	-	-	-	-	-
	Total B	116	-	(116)	-	-	-	-	-	-	-
C	Intangible assets										
	Patent rights	10,061	11,336	-	27	21,424	1,083	1,872	-	-	2,955
	Total C	10,061	11,336	-	27	21,424	1,083	1,872	-	-	2,955
D	Intangible assets under development										
	Patent rights	11,449	4,061	(11,336)	-	4,174	-	-	-	-	-
	Product Development		1,143			1,143	-	-	-	-	-
	Software development	339	937	-	-	1,276	-	-	-	-	-
	Total D	11,788	6,141	(11,336)	-	6,593	-	-	-	-	-
	Total (A+B+C+D)	284,192	39,311	(11,618)	14,113	325,998	14,808	43,725	-	992	59,524
	Note :										
1	Building having gross value of ₹. 45 (P.Y. ₹. 45) is pending for registration in the name of the Holding Company. Management is of the opinion that the building will be transferred in the name of the Holding Company in due course.										

4	Investment Property											
		Gross carrying amount					Accumulated depreciation / amortisation					
		Carrying amount as at April 01, 2018	Additions during the year	Disposal during the year	Translation adjustments	As at March 31, 2019	As at April 01, 2018	Charge for the year	Disposal during the year	Translation adjustments	As at March 31, 2019	
	Guest House	1,651	-	-	-	1,651	157	73	-	-	230	
	Total	1,651	-	-	-	1,651	157	73	-	-	230	
		Gross carrying amount					Accumulated depreciation / amortisation					
		Carrying Amount as at April 01, 2017	Additions during the year	Deletion during the year	Translation adjustments	As at March 31, 2018	As at April 01, 2017	Charge for the year	Disposal during the year	Translation adjustments	As at March 31, 2018	
	Guest House	1,651	-	-	-	1,651	80	77	-	-	157	
	Total	1,651	-	-	-	1,651	80	77	-	-	157	
	(i) Amount recognised in Statement of Profit and Loss for investment property											
			As at March 31, 2019	As at March 31, 2018								

Depreciation		73	77							
Profit / (loss) from investment property		(73)	(77)							
(ii) Fair value										
Investment property #		2,555	2,555							
# Estimation of Fair value										
<p>Company has carried out the fair valuation of property involving external independent valuation expert. As per the fair valuation report dated 21st May 2018 the fair value of investment property is Rs. 2,555(000) . The valuation model has considered various inputs like cost, location, market appreciation, etc.</p>										

5	Investments	As at			
		March 31, 2019		March 31, 2018	
		Nos.	Amount	Nos.	Amount
	<u>Investment in Equity instruments of Associates (Unquoted) (Fully paid up) (Trade)</u>				
	Equity shares of SPArrow Bio-Polymer Products (P) Ltd of face value ₹ 10 each (46% holding)	4,600	-	4,600	-
	Equity shares of Sphere Bio-Polymers (P) Ltd of face value ₹ 10 each (49% holding)	4,900	-	4,900	-
	Accumulated share of loss of associate companies		-		-

5	Investments				
	<u>in Equity Instruments (Unquoted), (Fully Paid). Non-Trade, at Fair value through Profit or Loss</u>				
	Shamrao Vithal Co- operative Bank		9		9
	Equity Shares of ₹ 25 each	300		300	
	Equity Shares of ₹ 10 each	100		100	
	In mutual funds (quoted) (Non-Trade), at Fair Value through Profit or Loss (refer below details)		166,008		294,625
			166,017		294,634
	Aggregate amount of quoted investments and market value thereof		166,008		294,625
	Aggregate amount of unquoted investments		9		9
	Aggregate amount of impairment in the value of investments		-		-

Investment in mutual funds (quoted) (fully paid up) at Fair Value through Profit and Loss				
	As at			
	March 31, 2019		March 31, 2018	
	Units	Amount	Units	Amount
Avendus Absolute Return Fund	-	-	-	10,494
GLMSF - Fund Class	248	24,742	248	21,833
HDFC Corp Debt Opportunities Fund-Regular *	2,687,329	40,995	2,687,329	38,727
HDFC Short Term Plan - Monthly Dividend	-	-	827,284	8,598
HDFC TOP 200 Fund-Dividend	-	-	110,166	5,226
ICICI Prud. Equity Income Fund Regular Plan **	2,918,288	33,298	2,918,288	33,123
ICICI Prudential Savings Fund - Daily Dividend	291,855	30,872	824,079	87,182
ICICI Prudential Equity Arbitrage Fund- Dividend	-	-	727,453	9,922
ICICI Prudential Value Discovery Fund- Dividend	444,950	11,787	394,938	11,366
ICICI Prudential Equity Arbitrage Fund - Dividend	145,396	1,980	145,396	1,983
IDFC Corporate Bond Fund Regular Plan - Growth	-	-	952,962	11,329
IDFC SSIF - Short Term - Plan A - Monthly Dividend Payout	-	-	739,331	7,539
Motilal Oswal Most Focused Multicap 35 Fund- Regular Dividend Reinvestments	-	-	581,428	14,063
Reliance Regular Savings Fund-Debt Plan- Growth Plan Growth Option	-	-	470,568	11,391
Stallion Total Return Fund	28,249	22,333	28,249	21,849
		166,008		294,625
* Lien marked by Bank for Bank Guarantee /Letter of Credit in FY 2018-19 and FY 2017-18				
** Lien marked by Bank for Bank Guarantee /Letter of Credit				

in FY 2017-18				
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6	Loans		
		As at	
		March 31, 2019	March 31, 2018
	<u>Unsecured, considered good</u>		
	Security deposits - Others	4,177	3,234
	Loans to Employees	340	800
		4,517	4,034

7	Other financial asset		
		As at	
		March 31, 2019	March 31, 2018
	Fixed deposits with Bank (maturity more than 12 months) *	6,397	3,988
		6,397	3,988
	*Held as lien against LC Issued Mar 31, 2019 ₹ 4,800, March 31, 2018 Nil and Lien by bank against bank guarantee / Security Deposit of March 31, 2019 ₹ 1597, Mar 31, 2018 ₹ 903		

8	Income tax assets (Net)		
		As at	
		March 31, 2019	March 31, 2018
	Advance Income Tax (Net of Provision for Taxation of (Mar 31, 2019 ₹ 140,920, Mar 31, 2018 ₹ 112,626)	11,736	7,173
		11,736	7,173

9	Other non-current assets		
		As at	
		March 31, 2019	March 31, 2018
	<u>Unsecured, considered good</u>		
	Capital advances	67,104	18,814
	Prepaid expenses	208	170
		67,312	18,984

10	Inventories		
		As at	
		March 31, 2019	March 31, 2018

	<u>Raw materials and components:</u>		
	Polyvinyl Alcohol	10,432	6,805
	Chemicals	1,200	907
	Others	616	560
	Total	12,248	8,272
	<u>Work in progress:</u>		
	Water Soluble Films	11,821	16,963
	<u>Finished goods:</u>		
	Water Soluble Films	13,008	8,076
	<u>Stock in trade</u>		
	Cleaning products	15,410	12,238
	Bioplast	5,988	-
	Stores and spares	423	560
		58,898	46,109

11	Trade Receivables		
		As at	
		March 31, 2019	March 31, 2018
	<u>Unsecured</u>		
	Dues from trade receivables considered good	76,021	79,932
	Dues from trade receivables considered doubtful	4,389	1,897
	Less: Impairment allowance	(4,389)	(1,897)
		76,021	79,932
	Note: Trade receivable are receivable in normal operating cycle and are shown net of an allowance for bad or doubtful debts		

12	Cash and cash equivalents		
		As at	
		March 31, 2019	March 31, 2018
	<u>Balance with bank:</u>		
	On current accounts	154,171	290,335
	Deposits with original maturity of less than 3 months	22,500	125
	Cash on hand	347	64
		177,018	290,524

13	Bank balances other than cash and cash equivalents		
		As at	
		March 31,	March 31,

		2019	2018
	Unclaimed Dividend Account	4,249	3,735
	Deposits with maturity of more than 3 months but less than 12 months**	2,152	1,385
		6,401	5,120
	**Held as lien by bank against bank guarantee amounting to Mar 31, 2019 ₹ 1,775 , Mar 31, 2018 Nil		

14	Loans		
		As at	
		March 31, 2019	March 31, 2018
	<u>Unsecured, considered good</u>		
	Security deposits - Others	198	109
	Loan to Employees	851	1,354
		1,049	1,463

15	Other financial assets		
		As at	
		March 31, 2019	March 31, 2018
	Unsecured, considered good		
	Dividend receivable	4	584
	Interest accrued on deposits with bank	172	163
	Derivative Assets	10	2,208
		186	2,955

16	Other current assets		
		As at	
		March 31, 2019	March 31, 2018
	Unsecured, considered good unless stated otherwise		
	Advance to suppliers		
	Considered Good	2,646	565
	Considered Doubtful	2,199	1,550
	Less Provision for Doubtful Advance	(2,199)	(1,550)
		2,646	565
	Prepaid expenses	1,061	4,812
	Advance to employees	1,430	701
	Balance with Government authorities	32,434	28,047
		37,571	34,125

17	Equity Share Capital				
a)	Equity share capital				
		As at March 31, 2019		As at March 31, 2018	
		No. of shares	Amount	No. of shares	Amount
	<u>Authorised share capital</u>				
	Equity shares of ₹ 10 each	15,000,000	150,000	15,000,000	150,000
	<u>Issued, Subscribed and Paid Up :</u>				
	Equity shares of ₹ 10 each fully paid	11,739,948	117,399	11,739,948	117,399

b)	Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year				
		As at March 31, 2019		As at March 31, 2018	
		No. of shares	Amount	No. of shares	Amount
	Outstanding at the beginning of the year	11,739,948	117,399	11,739,948	117,399
	Outstanding at the end of the year	11,739,948	117,399	11,739,948	117,399

c) Terms /Rights attached to Equity shares

The Group has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d)	Details of shares held by each shareholder holding more than 5% equity shares				
	Name of shareholders	As at March 31, 2019		As at March 31, 2018	
		No. of shares	% of Holding	No. of shares	% of Holding
	Arrow Convertors Private Limited	1,196,014	10%	1,196,014	10%
	Jigisha S. Patel	1,518,503	13%	1,518,503	13%
	Shilpan P. Patel	3,226,342	27%	3,226,342	27%
	Shilpan Patel (HUF)	899,316	8%	899,316	8%
		6,840,175	58%	6,840,175	58%

19	Borrowings		
		As at	
		March 31, 2019	March 31, 2018
	<u>Unsecured (interest free repayable on demand)</u>		

	From Directors (Refer note 40)	-	131
	From Others	369	376
		369	507

20	Provisions		
		As at	
		March 31, 2019	March 31, 2018
	Provision for employee benefits (Refer note 39)		
	- Leave encashment (un funded)	1,643	800
		1,643	800

21	Trade payables		
		As at	
		March 31, 2019	March 31, 2018
	Total outstanding dues of micro enterprises and small enterprises (Refer Note 38)	291	69
	Total outstanding dues to others	33,985	25,011
		34,276	25,080
22	Other financial liabilities		
		As at	
		March 31, 2019	March 31, 2018
	Unclaimed Dividend ^	4,246	3,732
	Employee Benefits Payable	2,871	2,855
	Outstanding liability for expenses	5,819	3,291
	Trade payable for capital goods (other than small and medium enterprises)	10,423	11,954
	Derivative Liability	2,191	-
		25,550	21,832
	^ There are no unpaid dividend which is required to be transferred to Investors Education Protection Fund		

23	Provisions		
		As at	
		March 31, 2019	March 31, 2018
	Provision for employee benefits (Refer note 39)		
	- Gratuity (funded)	750	2,072
	- Leave encashment (un funded)	583	268
		1,333	2,340
24	Other current liabilities		

		As at	
		March 31, 2019	March 31, 2018
	Statutory Dues Payable	2,716	1,928
	Advances from customers	1,072	640
		3,788	2,568

25	Revenue from operations	Year ended	
		March 31, 2019	March 31, 2018
	<u>Sale of products (including excise duty net of sales return)</u>		
	Finished goods	88,018	65,337
	Traded goods	237,375	78,245
	<u>Services rendered</u>		
	Royalty Income - Patent	11,663	150,966
	Consulting Income	-	45,734
	<u>Other Operating Revenue</u>		
	Rent Income	5,765	6,820
	Sale of scrap	100	172
	Revenue from Operations	342,922	347,274
	Detail of Sale of Products / Services		
	<u>Finished goods sold</u>		
	Water Soluble Films	88,018	65,337
		88,018	65,337
	<u>Traded goods sold</u>		
	Cleaning Products	11,227	10,335
	Other Business	221,476	65,918
	Water Soluble films	4,672	1,992
		237,375	78,245

Goods and Service Tax (GST) has been effective from July 1, 2017. Consequently, excise duty, value added tax (VAT), Service tax etc. have been replaced with GST. Until June 30, 2017, 'Sale of product' included the amount of excise duty recovered on sales. With effect from July 1, 2017, 'Sales of products' excludes the amount of GST recovered. Accordingly, revenue from 'Sale of Products' and 'Revenue from operations' for the year ended March 31, 2019 are not comparable with those of the previous year.

26	Other Income	Year ended	
		March 31, 2019	March 31, 2018

	<u>Dividend Income</u>		
	From Non-current Investment in Mutual Fund measured at Fair Value through Profit and Loss	5,346	8,431
	<u>Interest Income received on Financial Assets - Carried at amortised cost</u>		
	On Fixed Deposit with Bank	644	1,109
	On Loans and Deposits	288	553
	Foreign Exchange Gain (net)	-	6,470
	Net Gain on Sale of non-current Investments in Mutual Fund	7,540	3,283
	Gain on Forward Contract	10	-
	Miscellaneous Income	1,078	1,666
	Net Gain on Fair valuation of non-current Investments in Mutual Fund measured at Fair value through Profit and Loss	1,263	1,175
		16,169	22,687

27	Cost of raw materials consumed		
		Year ended	
		March 31, 2019	March 31, 2018
	Inventory at the beginning of the year	8,272	4,545
	Add: Purchases	40,644	38,302
	Less: Inventory at the end of the year	12,248	8,272
		36,668	34,575

28	Change in inventory of finished goods, work-in-progress and stock in trade		
		Year ended	
		March 31, 2019	March 31, 2018
	<u>Inventories at the end of the year</u>		
	Stock In Trade	21,398	12,238
	Work-in-progress	11,821	16,963
	Finished goods	13,008	8,076
	<u>Inventories at the beginning of the year</u>		
	Stock In Trade	12,238	5,360
	Work-in-progress	16,963	2,935
	Finished goods	8,076	5,919
		(8,950)	(23,105)

29	Employee benefits expense		
		Year ended	
		March 31, 2019	March 31, 2018
	Salary, Wages and Bonus	85,233	63,767
	Contribution to Provident and other funds (Refer note - 39)	2,314	2,106
	Gratuity and Leave Encashment (Refer note - 39)	2,140	3,646
	Staff welfare expenses	2,731	2,367
		92,418	71,886

30	Other expenses		
		Year ended	
		March 31, 2019	March 31, 2018
	Consumption of stores and spares	2,446	3,072
	Repair and Maintenance - Building	626	851
	Repair and Maintenance - Machinery	1,123	1,012
	Repair and Maintenance - Other	2,023	2,329
	Rent (Refer note 36)	8,326	5,069
	Insurance	815	444
	Power and Fuel	23,063	22,976
	Labour Charges	5,618	5,910
	Factory Expenses	2,468	1,742
	Selling and Promotion Expenses	1,491	4,741
	Freight and Forwarding	7,289	5,606
	Lease Rent and Hire Charges (Refer note 36)	11,019	10,699
	Postage and Telephone Expenses	1,909	2,337
	Printing and Stationery	1,166	1,099
	Travelling and Conveyance	23,814	20,212
	Legal and Professional Charges	23,745	26,854
	Patent Charges	4,766	3,049
	Donations	500	4,500
	Provision For Doubtful Advances	649	146
	Provision For Doubtful debts	2,492	1,212
	Payment to Auditors (exclusive of service tax & GST) (Refer note 31)	2,997	2,895
	Corporate Social Responsibility Expense - Holding Company (Refer note 32)	2,100	2,461
	Loss on fair value of Investment	3,827	-
	Bank Charges	853	723
	Foreign Exchange Loss (Net)	1,990	-

	Sundry Balances written off	-	2,401
	Other Misc Expenses	5,875	5,731
		142,989	138,071

31	Payment to Auditors (exclusive of service tax & GST)		
		Year ended	
		March 31, 2019	March 31, 2018
	As auditor		
	Auditors Remuneration	2,368	2,615
	Tax audit fees	200	200
	Limited review fees	300	300
	<u>Other Capacity</u>		
	Other services (Certification fees)	110	95
	Reimbursement of expenses	19	23
		2,997	3,233

32	Corporate Social Responsibility Expense - Holding Company		
		Year ended	
		March 31, 2019	March 31, 2018
	<u>Gross amount required to be spent during the year</u>		
	Corporate Social Responsibility Expense	2,466	2,505
	<u>Amount spent during the year (paid in cash)</u>		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above	2,100	2,461
	<u>Amount spent during the year (yet to paid in cash)</u>		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above	-	-
		2,100	2,461

33	Income taxes		
a.	Income tax expense is as follows:		
		Year ended	
		March 31, 2019	March 31, 2018
	Statement of Profit and Loss		
	Current tax:		
	Tax for the year	11,010	32,276
	Adjustments for current tax of prior periods	(9,013)	824
	Total current tax expense	1,997	33,100

Deferred tax:			
Deferred tax expenses	(3,817)	(2,442)	
Total deferred tax expense	(3,817)	(2,442)	
Income tax expense	(1,820)	30,658	
Other comprehensive income			
Deferred tax related to OCI items:			
Net loss on remeasurements of defined benefit plans	77	109	
	77	109	

b.	Reconciliation of effective tax rate				
	A reconciliation of income tax expense as included in the statement of profit and loss to the amount computed by applying the weighted average enacted income tax rate to income before income taxes is summarized below:				
		Year ended			
		March 31, 2019	March 31, 2018		
	Profit before tax	(170,483)		32,373	
	Tax at the Indian tax rate	29.12% (49,645)	28.84%	9,336	
	Tax effects on amounts which are not deductible (taxable) in calculating taxable income				
	Tax effect of:				
	Differences in tax rates in respect of royalty income	0.00% -	52.38%	16,957	
	Differences in tax rates in respect of Short term capital gain on sale of Mutual Fund	-0.13% 218	47.33%	15,321	
	Non-deductible expenses	0.68% (1,152)	1.87%	607	
	Exempt income	0.91% (1,557)	-7.46%	(2,416)	
	Others	-0.39% 670	0.59%	190	
		1.07% (1,820)	94.70%	30,658	
c.	Deferred Tax Liabilities (net)				
	(i) Movement in deferred tax liabilities for the year ended March 31, 2019				
		Net balance	Recognised	Recognised	Net balance
		March 31, 2018	through Profit and Loss	through OCI	March 31, 2019
	Deferred tax on:				
	Property, plant and equipment	5,683	(2,275)	-	3,408
	Fair valuation of investments in mutual fund	3,697	(891)	-	2,806

provision for doubtful debts and Advances and disallowances under Section 43B of the Income tax Act, 1961	(2,066)	(676)	(77)	(2,825)
Others	322	25	-	347
	7,636	(3,817)	(77)	3,736

(ii) Movement in deferred tax liabilities for the year ended March 31, 2018				
	Net balance	Recognised	Recognised	Net balance
	April 01, 2017	through Profit and Loss	through OCI	March 31, 2018
Deferred tax on:				
Property, plant and equipment	7,748	(2,065)	-	5,683
Fair valuation of investments in mutual fund	3,441	256	-	3,697
provision for doubtful debts and Advances and disallowances under Section 43B of the Income tax Act, 1961	(1,321)	(779)	(109)	(2,066)
Others	176	146	-	322
	10,044	(2,442)	(109)	7,636

34	Earnings Per Share		
	Calculation of basic and diluted Earnings per share is as follows:		
		Year ended	
		March 31, 2019	March 31, 2018
	Profit for the year attributable to Owners of the Company	(166,802)	2,747
	Weighted average number of equity shares		
	- Basic	11,739,948	11,739,948
	- Diluted	11,739,948	11,739,948
	Earnings per share (in ₹)		
	- Basic	(14.21)	0.23
	- Diluted	(14.21)	0.23

35	Contingent liabilities and Commitments		
		As at	
		March 31, 2019	March 31, 2018
	<u>Contingent Liabilities</u>		
	(a) Sales tax matters not acknowledged as debt (amount paid under protest ₹ 349 (March 31, 2018: ₹ 349)	76,910	81,063

(b) Income tax matters not acknowledged as debt (amount paid under protest ₹ 1,304 (March 31, 2018: ₹ 1,304))			10,537	10,537
(c) Bank Guarantees given			10,291	6,340
			97,738	97,940

36 Leases

The Group has entered into operating lease agreements for the rental of its office premises for a period of 3 to 5 years as defined in the Indian Accounting Standard 17 and there are no restrictions imposed by the lease arrangements. Significant terms of lease agreement are :

- No transfer of ownership on termination of lease
- No compensation for transfer on termination of lease

Lease rental expenses recognized in the Statement of Profit and Loss in respect of operating leases for the year and the lease rentals payable (minimum lease payments) for non-cancellable operating lease are as follows:

	As at	
	March 31, 2019	March 31, 2018
Lease rent expenses for the year *	19,344	15,768
<u>Minimum lease payments</u>		
(a) Due within one year	8,987	8,548
(b) Due later than one year and not later than five years	10,802	6,791
(c) Due later than five years	10,231	-
*Lease Rent Expenses for March 31, 2019 include Rent on Machinery and Amortization of expenses of ₹ 11,019 (PY ₹ 10,699)		

- 37 Based on the guiding principles given in Ind AS 108 - "Operating segments", the Group is primarily engaged in the business of Manufacturing of Water Soluble Film. As the Group's business activity falls within a single primary business segment, the disclosure requirements of Ind AS-108 in this regard are not applicable.

38 Micro, Small and Medium Enterprises

To the extent, the Group has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under

	As at	
	March 31, 2019	March 31, 2018

Principal amount remaining unpaid at the end of the year		291	69
Interest due thereon		19	-
Interest remaining accrued and unpaid at the end of the year		19	-
Total Interest accrued and remained unpaid at year end		19	-

39 Employee benefit obligations of Holding Company

i) Defined Contribution Plans

Provident Fund: Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Contribution to Defined Contribution Plans, recognized as expense for the year as under:			
		Year ended	
		March 31, 2019	March 31, 2018
Employer's Contribution to Provident Fund		1,943	1,728
Employer's Contribution to Employees State Insurance Corporation		371	378

ii) Defined Benefits Plans

Gratuity: The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The fair value of the plan assets of the trust administered by the Group, is deducted from the gross obligation.

The following table sets forth the status of the gratuity plan of the Company, and the amounts recognized in the Balance sheet and Statement of Profit and Loss.

Funding :

The Group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC, a funded defined benefit plan for qualifying employees

Reconciliation of the net defined benefit obligation:			
		Year ended	
		March 31, 2019	March 31, 2018

Opening defined benefit obligation		5,380	1,743
Benefits paid		(97)	-
Current service cost		509	349
Interest cost		419	129
Past service cost		-	2,809
Actuarial losses / (gain) recognized in other comprehensive income			
Changes in financial assumptions		4	(127)
Experience adjustments		215	477
Liabilities assumed / (settled)		-	-
Closing defined benefit obligation		6,429	5,380

Reconciliation of the fair value of plan assets:			
		Year ended	
		March 31, 2019	March 31, 2018
Opening fair value of plan assets		3,308	2,147
Interest Income		257	159
Employer contributions		2,257	1,027
Benefits paid		(97)	-
Actuarial gains on Plan Assets		(45)	(25)
Closing fair value of plan assets		5,679	3,308

Balance sheet reconciliation			
		As at	
		March 31, 2019	March 31, 2018
Opening defined benefit obligation		5,380	1,743
Opening fair value of plan assets		(3,308)	(2,147)
Expenses recognised in profit and loss		670	3,128
Expenses recognised in Other Comprehensive Income		265	375
Employer contributions		(2,257)	(1,027)
Net (Asset) / Liability recognised in the Balance sheet		750	2,072

Expenses recognised in profit and loss:			
		Year ended	

		March 31, 2019	March 31, 2018
Current service cost		509	349
Interest cost		161	(30)
Past Service Cost		-	2,809
		670	3,128

Remeasurements recognised in other comprehensive income			
		Year ended	
		March 31, 2019	March 31, 2018
Actuarial (gain) / loss on defined benefit obligation		219	350
Return on plan assets excluding interest income		45	25
		265	375

Analysis of plan assets			
		As at	
		March 31, 2019	March 31, 2018
Insurer managed funds (%)		100%	100%
Others (%)		0%	0%
		100%	100%

Maturity profile of defined benefit obligation			
		As at	
		March 31, 2019	March 31, 2018
1 Year		2,194	2,280
2 to 5 years		986	665
6 to 10 years		1,853	1,411
More than 10 years		8,025	6,283

Actuarial assumption			
Principal actuarial assumption used to determine net periodic benefit cost and benefit obligation at the reporting dates;			
		As at	
		March 31, 2019	March 31, 2018
Discount Rate (p.a.)		7.77%	7.78%
Salary escalation rate (p.a.)		5.00%	5.00%

Expected rate of return on assets	7.77%	7.78%
Employee turnover	Service < 5 - 10% Service >=5 - 3%	Service < 5 - 10% Service >=5 - 3%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality rate after employment	NA	NA

Notes :

Salary escalation rate: The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below;

	Year ended	
	March 31, 2019	March 31, 2018
Projected Benefit Obligation on Current Assumptions	6,429	5,380
Discount Rate: 1% increase	(383)	(293)
Discount Rate: 1% decrease	445	342
Future salary growth: 1% increase	301	257
Future salary growth: 1% decrease	(264)	(239)
Change in Rate of Employee Turnover : 1% Increase	167	139
Change in Rate of Employee Turnover : 1% Decrease	(191)	(160)

Expected contribution	Year ended	
	March 31, 2019	March 31, 2018
	Prescribed contribution	1,473

iii) **Compensated absences**

The Group accrues for the compensated absences, a long term employee benefit plan based on the entire available leave balance standing to the credit of the employees at year end. The value of such leave balance eligible for carry forward, is determined by actuarial valuation as at the Balance sheet date and is charged to Statement of Profit and Loss in the period determined. The provision as at balance sheet dates are as follows:

	As at	
	March 31, 2019	March 31, 2018
Compensated absences liability	2,226	1,068
Actuarial assumption		
	As at	
	March 31, 2019	March 31, 2018
Discount rate	7.77%	7.78%
Long-term rate of compensation increase	5.00%	5.00%
Expenses recognised in Statement of Profit and Loss towards compensated absences are ₹ 1,470 (PY ₹ 518)		

40	Related party disclosures			
a)	Related parties and their relations			
	Name of Related Party	Relationship		
	SP Arrow Bio Polymer Products Private Limited	Associate Company		
	Sphere Bio Polymer Private Limited			
	Mr. Shilpan P. Patel - Managing Director	Key Management Personnel (KMP)		
	Mr. Neil Patel - Joint Managing Director			
	Mr. Hitesh Punglia - Chief Financial Officer			
	Mrs. Poonam Bansal - Company Secretary			
	Mrs. Jigisha S Patel	Relative of key management personnel		
	Mrs. Manisha Sindhi			
	Grace Paper Industries Private Limited	Enterprises over which Key Management Personnel are able to exercise significant influence		
	Aquavista Limited			
	Arrow Convertors Private Limited			
	Avery Bio -Degradable Products Private Limited			

b)	Transaction with Related Parties & Outstanding Balance as on March 31, 2018 and March 31, 2019:	Transactions for the year ended		Balances receivable / (payable) as of	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
		<u>Mr. Shilpan P. Patel</u>			
Rent Expenses	1,080	960	(745)	(311)	
Loan repaid and outstanding	(131)	-	-	(131)	
<u>Arrow Convertors Private Limited</u>					
Rent Expenses	540	540	-	-	
Purchases	-	971	-	(1,048)	
<u>Aquavista Limited</u>					
Consultancy services received	1,998	2,394	-	-	
<u>Impairment Loss on Investment in Associates</u>					
SP Arrow Bio Polymer Products Private Limited	-	46	-	-	
Sphere Bio Polymer Private Limited	-	49	-	-	
<u>Remuneration to Key Managerial Personnel & Relatives</u>					
Mr. Shilpan P. Patel - Managing Director	7,500	7,500	-	-	
Mr. Neil Patel - Joint Managing Director	7,500	7,500	-	-	
Mr. Hitesh Punglia - Chief Financial Officer	4,941	4,121	-	-	
Mrs. Poonam Bansal - Company Secretary	975	845	-	-	
Mrs. Jigisha S Patel	741	681	-	-	
Mrs. Manisha Sindhi	200	-	-	-	

41 Financial Instruments - Accounting Classifications and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced of liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and cash equivalent, bank balances other than cash and cash equivalent, trade receivables, trade payables, other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

A	As at March 31, 2018	Carrying value				Fair value		
		Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
	Non Current Financial assets							
	Investments	-	294,634	-	294,634	294,634	-	-
	Loans	4,034	-	-	4,034	-	-	-
	Other financial asset	3,988	-	-	3,988	-	-	-
		8,022	294,634	-	302,656	294,634	-	-
	Current Financial assets							
	Trade Receivables	79,932	-	-	79,932	-	-	-
	Cash and cash equivalents	290,524	-	-	290,524	-	-	-
	Bank balances other than Cash and cash equivalents	5,120	-	-	5,120	-	-	-
	Loans	1,463	-	-	1,463	-	-	-
	Other financial assets	2,955	-	-	2,955	-	-	-
		379,994	-	-	379,994	-	-	-
	Total	388,016	294,634	-	682,650	294,634	-	-
	Current Financial liabilities							
	Borrowings	507	-	-	507	-	-	-
	Trade payables	25,080	-	-	25,080	-	-	-
	Other financial liabilities	21,832	-	-	21,832	-	-	-
	Total	47,419	-	-	47,419	-	-	-

B	As at March 31, 2019	Carrying value				Fair value		
		Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3
	Non Current Financial assets							
	Investments	-	166,017	-	166,017	166,017	-	-
	Loans	4,517	-	-	4,517	-	-	-
	Other financial asset	6,397	-	-	6,397	-	-	-
		10,914	166,017	-	176,931	166,017	-	-
	Current Financial assets							
	Trade Receivables	76,021	-	-	76,021	-	-	-
	Cash and cash equivalents	177,018	-	-	177,018	-	-	-
	Bank balances other than Cash and cash equivalents	6,401	-	-	6,401	-	-	-
	Loans	1,049	-	-	1,049	-	-	-
	Other financial assets	186	-	-	186	-	-	-

		260,675	-	-	260,675	-	-	-
	Total	271,589	166,017	-	437,606	166,017	-	-
	Current Financial liabilities							
	Borrowings	369	-	-	369	-	-	-
	Trade payables	34,276	-	-	34,276	-	-	-
	Other financial liabilities	25,550	-	-	25,550	-	-	-
	Total	60,195	-	-	60,195	-	-	-

During the reporting year ended March 31, 2019 and March 31, 2018, there was no transfer between level 2 and level 3 fair value measurements.

42	Financial risk management							
	The group has exposure to the following risks arising from financial instruments: - Credit risk; - Liquidity risk; and - Market risk							
	The group's board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the group's risk management policies. The committee reports to the board of directors on its activities.							
	The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the group's activities. The group, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.							
	The audit committee oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.							

i)	Credit risk							
	Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.							
	The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. To assess whether there is a significant increase in credit risk that group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:							

	<p>i) Actual or expected significant adverse changes in business,</p> <p>ii) Actual or expected significant changes in the operating results of the counterparty,</p> <p>ii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,</p> <p>iv) Significant increases in credit risk on other financial instruments of the same counterparty,</p>
	<p>Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the group. Where receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in Statement of Profit and Loss.</p>
	<p>Trade and other receivables</p> <p>The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Credit terms are in line with industry trends.</p>

Summary of the group's exposure to credit risk by age of the outstanding from various customers is as follows								
							As at	
							March 31, 2019	March 31, 2018
Less than 180 days							65,992	35,129
From 181 - 365 days							4,862	45,448
More than 365 days							9,556	1,252
Total							80,410	81,829
Less : Impairment allowance							4,389	1,897
Total							76,021	79,932

Expected credit loss assessment for customers as at 31 March 31, 2018 and March 31, 2019

Exposures to customers outstanding at the end of each reporting period are reviewed by the group to determine credit losses. Given that the macro economic indicators affecting customers of the group have not undergone any substantial change, the group expects the historical trend of minimal credit losses to continue.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows								
							Amount	
Balance as at March 31, 2017							685	
Impairment loss recognised							1,212	
Amounts written off / written back							-	
Balance as at March 31, 2018							1,897	
Impairment loss recognised							2,492	
Amounts written off / written back							-	
Balance as at March 31, 2019							4,389	

Cash and bank balance

The Group held cash and bank balance with credit worthy banks and financial institutions of ₹ 1,83,419 and ₹ 2,95,644 as at March 31, 2019 and March 31, 2018 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an on-going basis and is considered to be good.

ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time. The group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the group's net liquidity position through rolling forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

	As at			
	March 31, 2019		March 31, 2018	
	Less than 1 year	1 to 3 years	Less than 1 year	1 to 3 years
Borrowings	-	369	507	-
Trade payables	34,276	-	25,080	-
Other financial liabilities	25,550	-	21,832	-
Bank Guarantee given	6,116	4,175	2,393	3,947

iv)	Market risk
	Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables and payables.
	The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures and ensuring compliance with market risk limits and policies.

a) Foreign currency risk

The Group operates internationally and portion of the business is transacted in several currencies and consequently the group is exposed to foreign exchange risk

Foreign currency exposure		US\$	EUR	GBP	Total
March 31, 2019					
Financial assets					
Investments		46,873	-	-	46,873
Trade receivables		1,896	6,595	458	8,950
Cash and cash equivalents		89,147	10,565	-	99,712
Net exposure to foreign currency risk (assets)		137,916	17,161	458	108,662
Financial Liabilities					
Trade payables		8,110	7,254	4,899	20,264
Less: Forward against Import		(2,179)	(5,389)	-	(7,568)
Other financial liabilities		-	-	5,438	5,438
Net exposure to foreign currency risk (liabilities)		5,931	1,865	10,337	18,133
Rupee Conversion Rate		69.17	77.70	90.48	

March 31, 2018					
Financial assets					
Investments		43,129	-	-	43,129
Trade receivables		1,725	49,844	2	51,571
Cash and cash equivalents		7,377	68,015	-	75,392
Net exposure to foreign currency risk (assets)		52,231	117,859	2	170,092
Financial Liabilities					
Trade payables		3,375	2,011	1,026	6,412
Other financial liabilities		-	-	-	-
Net exposure to foreign currency risk (liabilities)		3,375	2,011	1,026	6,412
Rupee Conversion Rate		65.04	80.62	92.28	

Foreign currency sensitivity

The table below demonstrates sensitivity impact on profit after tax and total equity due to change in foreign exchange rates of currencies where it has significant exposure:

Foreign currency	March 31, 2019		March 31, 2018	
	1% Increase	1% Decrease	1% Increase	1% Decrease
US\$	935.51	(935.51)	346.29	(346.29)
EUR	108.42	(108.42)	821.15	(821.15)
GBP	(70.02)	70.02	(7.26)	7.26

43 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group and borrowings. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its funds in a manner that it achieve maximum returns (net of taxes) with minimum risk to the capital and consider the liquidity concerns for its working capital requirements.

44 Business Combinations

A) Subsidiaries

The Group's subsidiaries as at March 31, 2019, March 31, 2018 are set out below. Unless otherwise stated, they have share capital that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal place of business/ country of incorporation	Ownership interest held by the group		Proportion of ownership of Interest by non-controlling interests		Principal activities
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
		%	%	%	%	
Arrow Green Technologies (UK) Limited	United Kingdom	100	100	-	-	Intellectual Property and Intellectual Property based products
Advance IP Technologies Limited	United Kingdom	95	95	5	5	Intellectual Property and Intellectual Property based products
Avery Pharmaceuticals Private Limited	India	99	99	1	1	Pharmaceutical s products
LQ Arrow Security Products (India) Private Limited	India	51	100	49	-	Security based products
Arrow Secure Technology Private Limited	India	100	100	-	-	Security based products

B) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations

Summarised Balance Sheet	LQ Arrow Security Products (India) Private Limited (49%)		Advance IP Technologies Limited (5%)		Avery Pharmaceuticals Private Limited (1%)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Current assets	565	509	80,071	118,392	3,814	2,439
Current liabilities	38	9	4,782	5,283	6,474	9
Net current assets	527	500	75,290	113,110	(2,660)	2,431
Non Current assets	1,980	1,983	47,470	49,313	41,145	7
Non Current liabilities	-	-	369	1,668	43,292	-
Net non-current assets	1,980	1,983	47,101	47,645	(2,147)	7
Net assets	2,507	2,483	122,391	160,755	(4,807)	2,437
Accumulated NCI	1,228	-	15,130	19,683	(48)	24

Summarised Statement of Profit and Loss	LQ Arrow Security Products (India) Private Limited (49%)		Advance IP Technologies Limited (5%)		Avery Pharmaceuticals Private Limited (1%)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Revenue	105	54	16,022	64,509	128	69
Profit for the year	24	(17)	(35,712)	(20,640)	(7,244)	(63)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	24	(17)	(35,712)	(20,640)	(7,244)	(63)
Profit allocated to NCI	12	-	(1,786)	(1,032)	(72)	(1)
Dividend paid to NCI	-	-	-	2,769	-	-

Summarised cash flows	LQ Arrow Security Products (India) Private Limited (49%)		Advance IP Technologies Limited (5%)		Avery Pharmaceuticals Private Limited (1%)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Cash flows from operating activities	(24)	(74)	(42,274)	7,389	(28,729)	(61)
Cash flows from investing activities	105	(1,946)	3,376	(44,927)	(14,313)	-
Cash flows from financing activities	-	2,500	-	(52,288)	43,180	2,500
Net increase/(decrease) in cash and cash equivalents	81	480	(38,898)	(89,826)	138	2,439

C) Transactions with non- controlling interests

There are no transaction with non controlling interest in FY 2018-19 and FY 2017-18.

D) Interests in associates

Set out below are associates of the group as at March 31, 2019 which in the opinion of directors are not material to the group. The entities listed below have share capital consisting solely of equity shares which are directly held by the group.

Name of the entity	Principal place of business	% of ownership interests	Quoted fair value		Carrying amount	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
SP Arrow Bio Polymer Products Private Limited	India	46	-*	-*	-	-
Sphere Bio Polymer Private Limited	India	49	-*	-*	-	-
* Unlisted entity- no quoted price available.						

45 Additional information as required by Part III of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

	Net assets, i.e., total assets minus total liabilities		Share of profit		Share of Other Comprehensive income		Share of Total Comprehensive income	
	Amount	As % of consolidated net asset	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Comprehensive income	Amount	As % of consolidated total Comprehensive income
Arrow Greentech Limited	468,091	60%	(62,138)	37%	(188)	2%	(62,326)	36%
Arrow Green Technologies (UK) Limited (consolidated)	312,726	40%	(97,411)	58%	(7,484)	98%	(104,895)	60%
Arrow Secure Technology Private Limited	65	0%	(31)	0%	-	0%	(31)	0%
Avery Pharmaceuticals Private Limited	(4,807)	-1%	(7,244)	4%	-	0%	(7,244)	4%
LQ Arrow Security Products (India) Private Limited	2,507	0%	24	0%	-	0%	24	0%
Total	778,582		(166,802)		(7,672)		(174,474)	

46 AOC - 1												
Salient features of Financial Statements of Subsidiaries/Associate as per Companies Act, 2013												
Part A:Subsidiaries												
Name of Subsidiary Company	Reporting currency & Eq. in ₹	Share capital	Reserve and surplus	Total Assets	Total Liabilities	Investment	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of share holding
Arrow Green Technologies (UK) Limited	INR	1,819	205,941	209,439	1,680	2,270	7,857	(73,159)	(9,013)	(64,146)	-	100
	GBP	20	2,276	2,315	19	25	86	(797)	(98)	(699)	-	
Advance IP Technologies Limited	INR	90	122,300	127,541	5,150	47,076	18,177	(36,867)	(1,155)	(35,712)	-	95
	GBP	1	1,352	1,410	57	520	198	(402)	(13)	(389)	-	
Arrow Secure Technology Private Limited	INR	4,313	(4,248)	83	18	-	-	(31)	-	(31)	-	100
Avery Pharmaceuticals Private Limited	INR	2,500	(7,307)	44,958	49,765	-	128	(7,133)	111	(7,244)	-	99
LQ Arrow Security Products (India) Private Limited	INR	2,500	7	2,545	38	1,980	105	24	-	24	-	51

Exchange rates	INR	GBP
31-Mar-19	Avg. Rate	91.76
	Closing Rate	90.48

Part B: Associate									
Statement pursuant to Section 129 (3) of the Act related to associate company									
Name of Associate Company	Last audited Balance Sheet date	Share of associate held by the Company on the year end			Net worth attributable to share holding as per the latest audited Balance Sheet	Profit / Loss for the year		Description of how there is significant influence	Reason why associate is not consolidated
		Nos.	Amount of investment in associate	Extent of holding (%)		Considered in consolidation	Not Considered in consolidation		
SP Arrow Bio Polymer Products Private Limited	31-Mar-19	4,600	46	46%	(2,494)	-	(13)	Refer note 1	Refer note 2
Sphere Bio Polymer Private Limited	31-Mar-19	4,900	49	49%	(47)	-	(59)	Refer note 1	Refer note 2

Notes

1. Significant influence due to percentage of holding.
2. Because the company does not have more than 51% shareholding directly or indirectly, i.e. no controlling interest.

47 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Group enters into derivative transactions under International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances - e.g. when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The ISDA master netting agreement do not meet the criteria for offsetting in the balance sheet. This is because the Group does not have any currently legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as a default on the bank loans or other credit events.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements:

							Gross and Net amounts of financial instruments in the Balance sheet	Related financial instruments that are not offset	Net amount
31-Mar-19									
Financial assets									
Derivate assets							10	(10)	-
Total									
Financial liabilities									
Derivative liabilities							2,191	(10)	2,181
Total									
31-Mar-18									
Financial assets									
Derivate assets							2,208	-	2,208
Total									
Financial liabilities									
Derivative liabilities							-	-	-
Total									

48 Comparative Previous Year `s figures have been reworked, regrouped and reclassified to the extent possible, wherever necessary to confirm to current year `s classification and presentation.

For and on behalf of the Board of Directors of
Arrow Greentech Limited

Sd/-
Shilpan Patel
Managing Director
DIN No: 00341068

Sd/-
Neil Patel
Jt. Managing
Director
DIN No: 00607101

Place : Mumbai
Date : May 18, 2019

Sd/-
Hitesh Punglia
Chief Financial Officer

Sd/-
Poonam Bansal
Company Secretary

UNAUDITED STANDLONE FINANCIAL RESULTS FOR THE QUARTER/ HALF YEAR ENDED SEPTEMBER 30, 2019

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED SEPTEMBER 30, 2019							
Sl. No.	Particulars	Quarter Ended (₹ in '000)			Half Year Ended (₹ in '000)		Year Ended (₹ in '000)
		September 30, 2019 (Unaudited)	June 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	March 31, 2019 (Audited)
1	Income						
(a)	Revenue from Operations	80,086	66,023	106,231	146,109	166,321	434,011
(b)	Other Income	12,913	3,677	31,676	16,590	33,374	76,900
	Total Income	92,999	69,700	137,907	162,699	199,695	510,911
2	Expenses						
(a)	Cost of Material Consumed	11,289	9,058	13,645	20,347	27,511	36,669
(b)	Purchase of stock-in-trade	3,988	22,982	39,113	26,970	57,376	229,766
(c)	Change in inventory of finished goods, work-in-progress & stock in trade	9,681	(6,126)	3,127	3,555	(10,364)	(6,293)
(d)	Employees Benefits Expenses	16,286	19,433	19,817	35,719	39,913	87,226
(e)	Finance Costs	370	274	-	644	-	-
(f)	Depreciation and Amortisation expenses	7,751	8,079	9,543	15,830	18,576	34,084
(g)	Other Expenses	26,129	22,654	33,690	48,783	63,612	119,321
	Total Expenses	75,494	76,354	118,935	151,848	196,624	500,773
3	Profit/(Loss) before tax (1-2)	17,505	(6,654)	18,972	10,851	3,071	10,138
4	Tax expenses						
(a)	Current Tax	2,443	-	5,010	2,443	5,010	11,010
(b)	Deferred tax expense	(270)	372	(1,259)	102	(2,316)	(2,773)
	Total Tax Expenses	2,173	372	3,751	2,545	2,694	8,237
5	Profit/(Loss) for the period (3-4)	15,332	(7,026)	15,221	8,306	377	1,901
6	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss						
	Remeasurement of Defined Benefit Plan	(66)	(66)	(94)	(132)	(188)	(265)
	Income Tax on remeasurement of Defined Benefit Plan	19	19	28	38	55	77
	Other Comprehensive Income for the period	(47)	(47)	(66)	(94)	(133)	(188)
	Total Comprehensive Income for the period (5+6)	15,285	(7,073)	15,155	8,212	244	1,713
7	Paid up Equity Share Capital (Face Value ₹. 10/- each)	117,399	117,399	117,399	117,399	117,399	117,399
8	Other Equity excluding revaluation reserve as per Balance Sheet						361,257
9	Earnings Per Share (EPS) (₹)						
	Basic	1.31	(0.60)	1.30	0.71	0.03	0.16
	Diluted	1.31	(0.60)	1.30	0.71	0.03	0.16

Notes

- The above results have been reviewed by the Audit Committee and taken on record in the meeting of Board of Directors held on November 14, 2019 and also reviewed by Statutory Auditors.
- This Statement has been prepared in accordance with the Companies ("Indian Accounting Standards") Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- During the quarter, Revenue from operations includes ₹ 24,489 thousands (quarter ended September 30, 2018 ₹ 25,623 thousands) for assigning of patents Marketing's Rights. During the quarter, other income includes ₹ 8,818 thousands (quarter ended September 30, 2018 ₹ Nil) for dividend income received from subsidiary company.
- There was an incidence of fire at one of the unit in factory of the Company located at Ankleshwar on October 30, 2019 in which certain tangible assets and inventories were damaged and destroyed. The Company has taken adequate insurance cover for tangible assets and inventories destroyed by fire. The Company is in the process of finalizing its insurance claim and does not expect significant impact on the Financials.
- Previous quarter / period / year figure are re-grouped, re-arranged, re-classified or re-worked wherever necessary to confirm to the current quarter /period accounting treatment.

For and on behalf of Board
Arrow Greentech Limited

Shilpa Patel
Chairman and Managing Director
DIN : 00341068
Place Mumbai
Date November 14, 2019



Arrow Greentech Limited

Note 1

Balance Sheet as at Sept 30, 2019 (Standalone)

(All amounts in Indian Rupees in thousand unless otherwise stated)

Particulars	As at	
	Sept 30, 2019	March 31, 2019
ASSETS		
Non-current assets		
Property, plant and equipment	112,683	114,687
Capital work-in-progress	17,995	6,440
Intangible assets	19,532	15,661
Intangible assets under development	4,345	5,553
Investment Property	1,387	1,421
Investment in subsidiaries and associates	5,352	5,352
<u>Financial assets</u>		
(i) Investments	86,811	116,961
(ii) Loans	109,442	47,079
(iii) Other Financial Asset	2,225	1,597
Income tax assets (Net)	6,844	7,377
Other non - current assets	68,822	26,967
Total Non - current assets	435,437	349,095
Current assets		
Inventories	48,701	54,992
<u>Financial assets</u>		
(i) Trade Receivables	50,192	70,398
(ii) Cash and cash equivalents	18,079	30,200
(iii) Bank balances other than (ii) above	25,922	6,401
(iv) Loans	131	977
(v) Other financial assets	188	142
Other current assets	32,714	34,086
Total current assets	175,927	197,196
TOTAL ASSETS	611,364	546,291
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	117,399	117,399
Other Equity	362,045	361,258
Total Equity	479,444	478,657
Non-current liabilities		
Borrowings	43,969	-
Provisions	1,836	1,643
Deferred tax liabilities (Net)	3,689	3,625
Other non-current liabilities	1,898	-
Total Non current Liabilities	51,392	5,268
Current liabilities		
<u>Financial liabilities</u>		
(i) Trade payables		
- Total outstanding dues to Micro and Small Enterprises	1,963	291
- Total outstanding dues to others	20,782	30,528
(ii) Other financial liabilities	53,612	26,942
Provisions	1,833	1,333
Other current liabilities	2,339	3,273
Total current Liabilities	80,528	62,367
Total Liabilities	131,921	67,635
TOTAL EQUITY AND LIABILITIES	611,364	546,291



Arrow Greentech Limited
Note 2
Statement of Standalone Cash flow

(All amounts in Indian Rupees in thousand unless otherwise stated)

Particulars	Year to date		Year Ended
	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Audited
Operating activities			
Profit before tax	10,851	3,071	10,138
<u>Adjustment to reconcile profit before tax to net cash flows</u>			
Depreciation and amortisation	15,830	18,576	34,084
Fair value gain on non-current Investments	(1,635)	528	3,824
Provision For Doubtful Debt	2,442	2,353	2,492
Provision For Doubtful Advances	-	-	649
Unrealised Foreign Exchange gain	311	238	(453)
Net gain on sale of Long term Investments	211	-	(6,293)
Interest income	(3,922)	(335)	(1,766)
Gain on Forward Contract	-	-	10
Dividend Income	(10,350)	(31,035)	(65,851)
	13,738	(6,604)	(23,166)
Working capital adjustments:			
Decrease/ (Increase) in Loans and Advances	(4,617)	(14,437)	(42,568)
Decrease/ (Increase) in non-current assets	(41,855)	(11,123)	(26,584)
Decrease / (Increase) in trade receivables	17,453	(19,985)	(42,389)
Decrease/ (Increase) in current assets	1,372	2,076	(593)
Decrease/ (Increase) in Inventories	6,291	(9,990)	(10,134)
Increase/ (Decrease) in provisions	825	658	(429)
Increase/ (Decrease) in trade payables	(8,074)	(1,488)	8,515
Increase/ (Decrease) in other financial Liabilities	18,342	2,932	6,892
Increase/ (Decrease) in other Liabilities	964	(150)	709
Income tax paid	4,439	(58,111)	(129,747)
Net Cash Flow from operating activities	(A)		
	2,529	(63,123)	(140,894)
Investing activities			
Purchase of Fixed assets including CWIP	(29,564)	(11,736)	(15,810)
Proceeds from Borrowings	52,032	-	-
(Purchase) / Sale of Long term Investments	-	1,225	1,225
Sale of mutual fund investment, net	33,107	70,655	134,478
Loan given	(56,900)	-	-
(Investments) / proceeds from Bank deposits	(20,149)	576	(952)
Dividend Received	8,818	31,570	66,435
Interest Received	3,876	434	1,797
Net cash flows from investing activities	(B)		
	(8,780)	92,724	187,173
Financing activities:			
Dividend paid, including dividend tax	(5,870)	(23,480)	(23,479)
Net cash (used in) financing activities	(C)		
	(5,870)	(23,480)	(23,479)
Net Increase / (Decrease) In Cash And Cash Equivalents	(A+B+C)		
	(12,121)	6,121	22,800
Effect of exchange difference on Cash and Cash Equivalents			
Cash and Cash equivalents at the beginning of the year	30,200	7,400	7,400
Cash and Cash equivalents at the end of the year	18,079	13,521	30,200



Independent Auditor's Review Report on quarterly and year to date Unaudited Standalone Financial Results of Arrow Greentech Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To the Board of Directors
Arrow Greentech Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Arrow Greentech Limited** ("the Company") for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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. A review is limited primarily to inquiries 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.

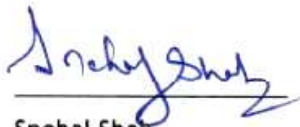


4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Snehal Shan

Partner

Membership No.: 048539

UDIN: 19048539AAAA CH4204



Place: Mumbai

Date: November 14, 2019

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER/ HALF YEAR ENDED SEPTEMBER 30, 2019

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED SEPTEMBER 30, 2019							
Sl. No.	Particulars	Quarter Ended (₹ in '000)			Half Year Ended (₹ in '000)		Year Ended (₹ in '000)
		September 30, 2019 (Unaudited)	June 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	March 31, 2019 (Audited)
1	Income						
(a)	Revenue from Operations	56,851	45,323	79,091	102,174	115,434	342,922
(b)	Other Income	4,132	9,343	4,922	13,475	8,546	16,169
	Total Income	60,983	54,666	84,013	115,649	123,980	359,091
2	Expenses						
(a)	Cost of Material Consumed	11,290	9,058	13,644	20,348	27,510	36,668
(b)	Purchase of stock-in-trade	3,987	22,983	37,925	26,970	56,585	229,437
(c)	Change in inventory of finished goods, work-in-progress & stock in trade	10,166	(5,826)	1,440	4,340	(12,804)	(8,950)
(d)	Employees Benefits Expenses	17,543	20,727	20,983	38,270	41,833	92,418
(e)	Finance Costs	1,067	274	-	1,341	-	-
(f)	Depreciation and Amortisation expenses	8,863	8,590	10,380	17,453	20,272	37,012
(g)	Other Expenses	29,813	25,539	38,404	55,352	71,482	142,989
	Total Expenses	82,729	81,345	122,776	164,074	204,878	529,574
3	Profit/(Loss) before tax (1-2)	(21,746)	(26,679)	(38,763)	(48,425)	(80,898)	(170,483)
4	Tax expenses						
(a)	Current Tax	2,443	-	5,010	2,443	5,010	11,010
(b)	Tax in respect of earlier years	-	-	-	-	-	(9,013)
(c)	Deferred tax expense	(270)	372	(1,259)	102	(2,316)	(3,817)
	Total Tax Expenses	2,173	372	3,751	2,545	2,694	(1,820)
5	Profit/(Loss) for the period (3+4)	(23,919)	(27,051)	(42,514)	(50,970)	(83,592)	(168,663)
6	Share of Profit of Associates	-	-	-	-	-	-
7	Profit/(Loss) after Taxes and Share of profit of Associates	(23,919)	(27,051)	(42,514)	(50,970)	(83,592)	(168,663)
8	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss						
	Exchange Differences in translating the financial statements of foreign operations	(1,724)	(11,211)	23,395	(12,935)	10,862	(7,484)
	Remeasurement of Defined Benefit Plan	(66)	(66)	(94)	(132)	(188)	(265)
	Income Tax on remeasurement of Defined Benefit Plan	19	19	28	38	55	77
	Other Comprehensive Income for the period	(1,771)	(11,258)	23,329	(13,029)	10,729	(7,672)
9	Total Comprehensive Income for the period (7+8)	(25,690)	(38,309)	(19,185)	(63,999)	(72,863)	(176,335)
10	Profit/(Loss) Attributable to :-						
	Owners of equity	(23,334)	(26,546)	(41,941)	(49,880)	(82,475)	(166,802)
	Non - Controlling Interest	(585)	(505)	(573)	(1,090)	(1,117)	(1,861)
		(23,919)	(27,051)	(42,514)	(50,970)	(83,592)	(168,663)
11	Total Comprehensive Income Attributable to :-						
	Owners of equity	(25,105)	(37,804)	(18,612)	(62,909)	(71,746)	(174,474)
	Non - Controlling Interest	(585)	(505)	(573)	(1,090)	(1,117)	(1,861)
		(25,690)	(38,309)	(19,185)	(63,999)	(72,863)	(176,335)
12	Paid up Equity Share Capital (Face Value ₹. 10/- each)	117,399	117,399	117,399	117,399	117,399	117,399
13	Other Equity excluding revaluation reserve as per Balance Sheet						661,183
14	Earnings Per Share (EPS) (₹)						
	Basic	(1.99)	(2.26)	(3.57)	(4.25)	(7.03)	(14.21)
	Diluted	(1.99)	(2.26)	(3.57)	(4.25)	(7.03)	(14.21)



Notes

- 3 The above results have been reviewed by the Audit Committee and taken on record in the meeting of Board of Directors held on November 14, 2019 and also reviewed by Statutory Auditors.
- 4 The consolidated unaudited financial results relates to Arrow Greentech Limited, the holding company, its subsidiaries Arrow Green Technologies (UK) Limited, incorporated in UK, step down subsidiary Advance IP Technologies Limited (incorporated in UK), Arrow Secure Technology Private Limited, Avery Pharmaceuticals Private Limited and LQ Arrow Security Products (India) Private Limited (the holding company and its subsidiaries together referred to as "the Group") and its associates SP Arrow Bio Polymer Products Private Limited and Sphere Bio Polymer Private Limited. Butler and Company LLP, UK have reviewed financials results of UK Subsidiary company including its step down subsidiary.
- 5 There was an incidence of fire at one of the unit in factory of the Holding Company located at Ankleshwar on October 30, 2019 in which certain tangible assets and inventories were damaged and destroyed. The Holding Company has taken adequate insurance cover for tangible assets and inventories destroyed by fire. The Holding Company is in the process of finalizing its insurance claim and does not expect significant impact on the Financials.
- 6 As per the requirements of IND AS 108 as notified under Companies (Indian Accounting Standards) Rules 2015 as specified under section 133 of the Companies Act, 2013, no disclosure is required as the business activity of the Company falls within a single primary business segment of manufacturing Water Soluble Film.
- 7 Previous quarter / period / year figure are re-grouped, re-arranged, re-classified or re-worked wherever necessary to confirm to the current quarter /period accounting treatment.

For and on behalf of Board
Arrow Greentech Limited



Shilpan Patel
Chairman and Managing Director
DIN : 00341068
Place Mumbai
Date November 14, 2019



Arrow Greentech Limited

Note 1

Balance Sheet as at Sept 30, 2019 (Consolidated)
(All amounts in Indian Rupees in thousand unless otherwise stated)

Particulars	As at	
	Sept 30, 2019	March 31, 2019
ASSETS		
Non-current assets		
Property, plant and equipment	204,365	211,100
Capital work-in-progress	71,744	14,441
Intangible assets	30,181	15,751
Intangible assets under development	8,595	9,751
Investment Property	1,387	1,421
<u>Financial assets</u>		
(i) Investments	133,471	166,017
(ii) Loans	6,856	4,517
(iii) Other Financial Asset	2,225	6,397
Income tax assets (Net)	11,045	11,736
Other non - current assets	87,045	67,312
Total Non- current assets	556,914	508,443
Current assets		
Inventories	51,820	58,898
<u>Financial assets</u>		
(i) Trade Receivables	56,091	76,021
(ii) Cash and cash equivalents	130,059	177,018
(iii) Bank balances other than (ii) above	25,922	6,401
(iv) Loans	131	1,049
(v) Other financial assets	1,601	186
Other current assets	44,342	37,571
Total current assets	309,966	357,144
TOTAL ASSETS	866,880	865,587
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	117,399	117,399
Other Equity	590,035	661,183
Equity Attributable to Owners	707,434	778,582
Non Controlling Interest	15,219	16,310
Total Equity	722,653	794,892
Non-current liabilities		
Provisions	1,836	1,643
<u>Financial liabilities</u>		
(i) Borrowings	43,970	369
Deferred tax liabilities (Net)	3,800	3,736
Other non-current liabilities	13,754	-
Total Non current Liabilities	63,360	5,748
Current liabilities		
<u>Financial liabilities</u>		
(i) Trade payables		
- Total outstanding dues to Micro and Small Enterprises	1,963	291
- Total outstanding dues to others	16,118	33,985
(ii) Other financial liabilities	57,316	25,550
Provisions	1,833	1,333
Other current liabilities	3,637	3,788
Total current Liabilities	80,867	64,947
Total Liabilities	144,227	70,695
TOTAL EQUITY AND LIABILITIES	866,880	865,587



Arrow Greentech Limited

Note 2

Statement of Consolidated Cash flow

(All amounts in Indian Rupees in thousand unless otherwise stated)

Particulars	Year to date		Year Ended
	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Audited
Operating activities			
Profit before tax	(48,425)	(80,898)	(170,483)
<u>Adjustment to reconcile profit before tax to net cash flows</u>			
Depreciation and amortisation	17,453	20,272	37,012
Fair value gain on non-current investments	(3,400)	(651)	(1,263)
Provision For Doubtful Debt	2,442	2,353	2,492
Provision For Doubtful Advances	-	-	649
Unrealised Foreign Exchange gain	(12,812)	10,862	(10,115)
Net gain on sale of Long term investments	(745)	(242)	(7,540)
Interest income	(2,812)	(333)	(932)
Dividend Income	(1,593)	(2,417)	(5,346)
	(49,892)	(51,054)	(155,526)
Working capital adjustments:			
Decrease/ (Increase) in Loans and Advances	(1,421)	(2,864)	(69)
Decrease/ (Increase) in non-current assets	(19,626)	(21,075)	(38)
Decrease / (Increase) in trade receivables	17,448	(24,287)	1,419
Decrease/ (Increase) in current assets	(14,453)	4,157	(4,095)
Decrease/ (Increase) in Inventories	7,078	(12,430)	(12,789)
Increase/ (Decrease) in provisions	1,187	658	(429)
Increase/ (Decrease) in trade payables	(5,706)	(276)	9,196
Increase/ (Decrease) in other financial Liabilities	19,160	1,098	3,204
Increase/ (Decrease) in other Liabilities	17,154	(133)	1,220
Decrease/ (Increase) in financial assets	-	-	2,198
	(29,071)	(106,206)	(155,709)
Income tax paid	(1,752)	(8,998)	(6,560)
Net Cash Flow from operating activities (A)	(30,823)	(115,204)	(162,269)
Investing activities			
Purchase of Fixed assets including CWIP	(83,890)	(13,681)	(65,940)
Proceeds from Borrowings	52,032	-	-
(Purchase) / sale of Long term investments	-	(2,106)	137,420
(Purchase) / sale of mutual fund investment, net	36,691	67,589	-
(Investments) / proceeds from Bank deposits	(19,521)	576	(3,690)
Dividend Received	1,597	2,942	5,926
Interest Received	2,796	432	923
Net cash flows from investing activities (B)	(10,295)	55,752	74,639
Financing activities:			
Dividend paid, including dividend tax	(5,841)	(23,481)	(25,738)
Repayment of borrowings	-	-	(138)
Net cash (used in) financing activities (C)	(5,841)	(23,481)	(25,876)
Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C)	(46,959)	(82,933)	(113,506)
Effect of exchange difference on Cash and Cash Equivalents			
Cash and Cash equivalents at the beginning of the year	177,018	290,524	290,524
Cash and Cash equivalents at the end of the year	130,059	207,591	177,018



Independent Auditor's Review Report on quarterly and year to date Unaudited Consolidated Financial Results of Arrow Greentech Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To The Board of Directors
Arrow Greentech Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Arrow Greentech Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net loss after tax and total comprehensive income of its associates for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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. A review is limited primarily to inquiries of the 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. The Statement includes the results of the following entities:

Sr. No.	Name of the Entity	Relationship
1.	Arrow Greentech Limited	Holding Company
2.	Arrow Secure Technology Private Limited	Subsidiary Company
3.	Arrow Green Technologies (UK) Limited	Subsidiary Company
4.	Avery Pharmaceuticals Private Limited	Subsidiary Company
5.	LQ Arrow Security Products (India) Private Limited	Subsidiary Company
6.	Advance IP Technologies Limited	Step down Subsidiary
7.	Sphere Bio Polymer Private Limited	Associate Company
8.	SP Arrow Bio Polymer Products Private Limited	Associate Company

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim Financial Statements of two subsidiaries (including one step down subsidiary) included in the Unaudited Consolidated Financial Results, whose Interim Financial statements reflect total assets of Rs. 271,732 thousand as at September 30, 2019 and total revenues of Rs. 1,250 thousand and Rs. 5,853 thousand, total net loss after tax of Rs. 25,741 thousand and Rs. 43,124 thousand and total comprehensive loss of Rs. 25,741 thousand and Rs. 43,124 thousand, for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, and cash out flows (net) of Rs. 34,123 thousand for the period from April 1, 2019 to September 30, 2019, as considered in the Unaudited Consolidated Financial Results. These interim financial statements have been reviewed by other auditor whose reports have been furnished to us by the Parent's Management and our report on the Statement, in so far as it relates to the amounts and



disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditor and the procedures performed by us as stated in paragraph 3 above.

The above mentioned subsidiaries (including one step down subsidiary) are located outside India whose financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditor under generally accepted auditing standards applicable in their respective countries. The Parent's Management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's Management. Our report in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditor and the conversion adjustments prepared by the Management of the Parent and reviewed by us.

Our report on the Statement is not modified in respect of the above matter.



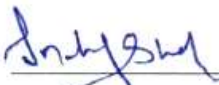
7. The unaudited consolidated financial results includes the interim financial statements results of three subsidiaries which have not been reviewed by their auditors, whose interim financial statements reflect total assets of Rs. 108,603 thousand as at September 30, 2019 and total revenue of Rs. nil and Rs. nil, total net loss after tax of Rs. 3,039 thousand and Rs. 4,844 thousand and total comprehensive loss of Rs. 3,039 thousand and Rs. 4,844 thousand for the quarter ended September 30, 2019 and for the period from April 01, 2019 to September 30, 2019, respectively, and cash out flows (net) of Rs. 756.01 thousand for the period from April 01, 2019 to September 30, 2019, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of net profit after tax of Rs. nil and Rs. nil and total comprehensive income of Rs. nil and Rs. nil for the quarter ended September 30, 2019 and for the period from April 01, 2019 to September 30, 2019, respectively, as considered in the unaudited consolidated financial results, in respect of two associates, based on their interim financial statements which have not been reviewed/audited by their auditors. According to the information and explanations given to us by the Management, these interim financial statements are not material to the Group including its associates.

Our report on the Statement is not modified in respect of the above matter.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Snehal Shah

Partner

Membership No.: 048538

UDIN: 19048539AAAACI1639



Place: Mumbai

Date: November 14, 2019

STOCK MARKET DATA FOR EQUITY SHARES

The Equity Shares of our Company are listed on the BSE & NSE. As our Equity Shares are listed only on the BSE & NSE, stock market data for our Equity Shares has been given for BSE & NSE.

For the purpose of this section:

- Year is a Financial Year;
- Average price is the average of the daily closing prices of the Equity Shares, for the year, or the month, or the week, as the case may be;
- High price is the maximum of the daily high prices and Low price is the minimum of the daily low prices of the Equity Shares, for the year, or the month, as the case may be; and
- In case of two days with the same high/low/closing price, the date with higher volume has been considered.

Yearly Stock Market Quotation at BSE

The high, low prices and average of closing prices recorded on the BSE for the preceding three Financial Years and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

Year ended on March 31	High (in Rs)	Date of High	No. of Shares traded on date of high	Low (in Rs)	Date of Low	No. of Shares traded on date of low	Average price for the year (in Rs.)
2020*	95.95	3 rd July, 2019	1,36,790	44.50	22 nd August, 2019	562	58.24
2019	386.90	5 th April, 2018	13,169	74.00	18 th March, 2019	2,656	150.59
2018	693.05	4 th September, 2017	48,052	250.80	26 th March, 2018	26,489	499.36
2017	642.50	27 th April, 2016	10,120	414.25	12 th September, 2016	2,279	484.36

(Source: www.bseindia.com) * Till period ended 11th February, 2020

Monthly Stock Market Quotation at BSE

The high and low prices and volume of the Equity Shares traded on the respective dates during the last six months is as follows:

Month	High (in Rs.)	Date of High	No. of Shares traded on date of high	Low (in Rs.)	Date of Low	No. of Shares traded on date of low	Average price for the Month (in Rs.)	Total No of Trading Days
August, 2019	56.80	2 nd April, 2019	4150	44.50	22 nd August, 2019	562	50.37	20
September, 2019	70.80	17 th September, 2019	11,038	53.10	30 th September, 2019	740	62.46	19
October, 2019	56.05	9 th October, 2019	1488	51.00	14 th October, 2019	2427	53.26	20

Month	High (in Rs.)	Date of High	No. of Shares traded on date of high	Low (in Rs.)	Date of Low	No. of Shares traded on date of low	Average price for the Month (in Rs.)	Total No of Trading Days
November, 2019	54.45	15 th November, 2019	2209	49.80	29 th November, 2019	89	52.29	20
December, 2019	52.10	20 th December, 2019	661	46.45	30 th December, 2019	1260	48.91	21
January, 2020	54.45	17 th January, 2020	2061	47.15	8 th January, 2020	660	50.50	21

(Source: www.bseindia.com)

Weekly Stock Market Quotation at BSE

Week end closing prices of the Equity Shares for the last four weeks on the BSE are as below:

Week Ended on	Closing Price (In Rs.)	High (in Rs.)	Date of High	Low (in Rs.)	Date of Low
17 th January, 2020	54.45	54.45	17 th January, 2020	50.10	13 th January, 2020
24 th January, 2020	51.00	52.00	21 st & 22 nd January, 2020	51.00	23 rd & 24 th January, 2020
31 st January, 2020	50.25	51.80	27 th January, 2020	50.00	30 th January, 2020
7 th February, 2020	63.80	63.80	7 th February, 2020	48.30	1 st February, 2020

(Source: www.bseindia.com)

The closing price of the Equity Shares as on September 06, 2019 was Rs. 61.50 on the BSE, the trading day immediately following the day on which Board of Directors approved the Issue.

The closing market price of our Equity Shares as on February 11, 2020, was Rs. 60.85 on BSE.

Yearly Stock Market Quotation at NSE

The high, low prices and average of closing prices recorded on the NSE for the preceding three Financial Years and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

Year ended on March 31	High (in Rs)	Date of High	No. of Shares traded on date of high	Low (in Rs)	Date of Low	No. of Shares traded on date of low	Average price for the year (in Rs.)
2020*	95.65	3 rd July, 2019	426532	46.70	26 th December, 2019	18476	57.88
2019	388.40	5 th April, 2018	550006	73.50	28 th February, 2019	7071	150.23
2018	687.60	4 th September, 2017	166211	251.30	26 th March, 2018	30575	499.58
2017	642.10	27 th April, 2016	12010	413.25	12 th September, 2016	6717	484.36

(Source: www.nseindia.com) * Till period ended 11th February, 2020.

Monthly Stock Market Quotation at NSE

The high and low prices and volume of the Equity Shares traded on the respective dates during the last six months is as follows:

Month	High (in Rs.)	Date of High	No. of Shares traded on date of high	Low (in Rs.)	Date of Low	No. of Shares traded on date of low	Average price for the Month (in Rs.)	Total No of Trading Days
August, 2019	56.30	02 nd August, 2019	11412	44.55	22 nd August, 2019	4245	49.80	20
September, 2019	70.75	17 th September, 2019	16841	52.90	3 rd September, 2019	4872	62.44	19
October, 2019	56.10	9 th October, 2019	3555	50.80	14 th October, 2019	4414	53.07	20
November, 2019	55.40	15 th November, 2019	10492	49.80	29 th November, 2019	8286	52.29	20
December, 2019	52.30	20 th December, 2019	8492	46.70	26 th December, 2019	18476	48.93	21
January, 2019	53.05	20 th January, 2020	3759	47.30	02 nd January, 2020	18426	50.31	23

(Source: www.nseindia.com)

Weekly Stock Market Quotation at NSE

Week end closing prices of the Equity Shares for the last four weeks on the NSE are as below:

Week Ended on	Closing Price (In Rs.)	High (in Rs.)	Date of High	Low (in Rs.)	Date of Low
17 th January, 2020	51.40	51.85	16 th January, 2020	49.05	14 th January, 2020
24 th January, 2020	52.75	53.05	20 th January, 2020	51.30	23 rd January, 2020
31 st January, 2020	49.85	51.15	27 th January, 2020	49.85	31 st January, 2020
7 th February, 2020	64.40	64.40	7 th February, 2020	46.70	3 rd February, 2020

(Source: www.nseindia.com)

The closing price of the Equity Shares as on September 06, 2019 was Rs. 61.15 on the NSE, the trading day immediately following the day on which Board of Directors approved the Issue.

The closing market price of our Equity Shares as on February 11, 2020, was Rs. 59.95 on NSE.

The Issue Price will be arrived at by our Company in consultation with the Lead Manager to the Issue.

ACCOUNTING RATIOS AND CAPITALISATION STATEMENT

Accounting Ratios

The following table presents certain accounting and other ratios derived from our audited standalone and consolidated financial statements and the limited review standalone and consolidated financial results as on and for the Six months period ended September 30, 2019 included in the section titled “Financial Information” beginning on page 115 of this Letter of Offer.

Accounting Ratios (Standalone)

Particulars	Six months period ended September 30, 2019	Year ended March 31, 2019	Year ended March 31, 2018
Earnings Per Share			
(a) Basic Earnings Per Share (after extraordinary items) (in Rs.)	0.71	0.16	12.90
(b) Diluted Earnings Per Share (after extraordinary items) (In Rs.)	0.71	0.16	12.90
Return on Net Worth (after extraordinary items and excluding Revaluation reserves) (%)	0.08	0.40	30.27
Net Asset Value / Book Value per Equity Share each (In Rs. Lakhs)	40.84	40.77	42.63
EBITDA (Rs. in Lakhs)	216.47	442.22	2,216.21

Accounting Ratios (Consolidated)

Particulars	Six months period ended September 30, 2019	Year ended March 31, 2019	Year ended March 31, 2018
Earnings Per Share			
(a) Basic Earnings Per Share (after extraordinary items) (in Rs.)	(4.25)	(14.21)	0.23
(b) Diluted Earnings Per Share (after extraordinary items) (In Rs.)	(4.25)	(14.21)	0.23
Return on Net Worth (after extraordinary items and excluding Revaluation reserves) (%)	(7.20)	(21.66)	0.18
Net Asset Value / Book Value per Equity Share each (In Rs.)	60.26	66.32	83.18
EBITDA (Rs. in Lakhs)	(296.31)	(1,334.71)	761.75

Capitalisation Statement

The statement on our capitalisation is as set out below:

Standalone capitalisation statement

Particulars	(Rs. in Lakhs)	
	As at September 30, 2019 (Pre-Issue)	As adjusted for proposed Issue [#]
Borrowings		
Current Borrowings	-	-
Non-Current Borrowings (including current maturity)	439.70	439.70
Total borrowings (A)	439.70	439.70
Total Equity		
Share capital	1,173.99	1,408.79

Particulars	As at September 30, 2019 (Pre-Issue)	As adjusted for proposed Issue#
Reserves and surplus	3,620.45	4,230.93
Total Equity (B)	4,794.44	5,639.72
Non-current Borrowings / Total Equity ratio	9.17%	7.80%
Total borrowings / Total Equity ratio (A/B)	9.17%	7.80%

Consolidated Capitalisation statement

(Rs. in Lakhs)

Particulars	As at September 30, 2019 (Pre-Issue)	As adjusted for proposed Issue#
Borrowings		
Current Borrowings	-	-
Non-Current Borrowings (including current maturity)	439.70	439.70
Total borrowings (A)	439.70	439.70
Total Equity		
Share capital	1,173.99	1,408.79
Reserves and surplus	5,900.35	6,510.83
Total Equity (B)	7,074.34	7,919.62
Non-current Borrowings / Total Equity ratio	6.22%	5.55%
Total borrowings / Total Equity ratio (A/B)	6.22%	5.55%

MATERIAL DEVELOPMENTS

Except as disclosed herein below, there are no material developments since March 31, 2019, which significantly affect the operations, performance, prospects or financial condition of our Company:

1. The Board of Directors, at its meeting held on August 03, 2019, has approved unaudited standalone and consolidated financial results for quarter ended September 30, 2019 in accordance with the requirements of the SEBI Listing Regulations.
2. The members of the Company, in the 27th Annual General Meeting held on September 07, 2019, have:
 - A. Approved and Adopted Financial Statements for the financial year ended March 31, 2019.
 - B. Declared dividend for the Financial year 2018-19;
 - C. Reappointment of Mr. Neil Patel, retiring by rotation and being eligible, offering himself for reappointment;
 - D. Reappointed Mr. Harish Mishra as an Independent Director;
 - E. Reappointed Mr. Dinesh Modi as an Independent Director;
 - F. Reappointed Mr. Haresh Mehta as an Independent Director;
3. The Board of Directors, at its meeting held on September 07, 2019, has:
 - A. Fund raising by way of issue of Equity Shares of the Company on a rights basis to all existing members of the Company in the ratio of 1(one) equity share for every 5 (five) equity shares held by the shareholders of the Company as on record date.
4. There was a fire accident in one of the manufacturing unit at the Company's factory situated at 5311 - GDIC, Ankleshwar -393002 on Wednesday, October 30, 2019.

For details, please refer the chapter titled "*Financial Statements*" beginning on page 115 of this Letter of Offer.

SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Except as described below there are no outstanding litigation, suits or criminal or civil proceedings or tax liabilities against our Company, our Promoter, Directors or Group Companies or any other person, whose outcome would have material adverse effect on our business. Except as stated below, there are no defaults, non-payment or overdues of statutory dues, institutional or bank dues or dues payable to instrumental holders such as holders of any debentures, bonds and fixed deposits and arrears on preference shares that could have a material adverse effect on our business as of the date of this Letter of Offer.

Furthermore, except as stated below in the last five years preceding the date of this Letter of Offer, there have been (a) no instances of material frauds committed against our Company; no inquiries, inspections or investigations initiated or conducted over the Companies Act or any previous companies law in the case of our Company and no prosecutions have been filed (whether ending or not), fines imposed or compounding of offences for our Company; (c) no litigation or legal action pending taken by any ministry or department of the government or any statutory body against the Promoter.

Except as described below, there are no proceedings initiated for economic offences (including past cases if found guilty) or any disciplinary action taken by SEBI or any stock Exchange, penalties imposed by any authorities against our Company and Directors and no adverse findings in respect of our Company, as regards compliance with securities laws. Further, except as described below, there are no instances where our Company or Directors have been found guilty in suits or criminal or civil prosecutions, or proceedings initiated for economic or civil offences or any disciplinary action by SEBI or any stock exchange, or tax liabilities

Except as disclosed below there are no (i) litigation against the Directors involving violation of statutory regulations or alleging criminal offence; (ii) past cases in which penalties were imposed by the relevant authorities on the Company and the Directors; (iii) outstanding litigation or defaults relating to matters likely to affect the operations and finances of our Company, including disputed tax liabilities and prosecution under any enactment in respect of Schedule V to the Companies Act, 2013; and (iv) any creditors to whom our Company owes a sum exceeding Rs. 1.00 Lakh which is outstanding more than 30 days and dues to micro small and medium enterprises as defined under the Micro, Small and medium Enterprises Act, 2006.

Except as stated below, there are no litigations against any other person whose outcome may have material adverse effect on the position of our Company. Unless stated to the contrary, the information provided below is as of the date of this Letter of Offer.

For the purpose of determining material litigation above, our Board in its meeting held on September 07, 2019 has considered and adopted the following policy on materiality for identification of material outstanding litigations to be disclosed by our Company in this Letter of Offer.

LITIGATIONS INVOLVING OUR COMPANY

LITIGATIONS AGAINST OUR COMPANY

Criminal proceeding against our Company

Nil

Action and Proceeding initiated by Statutory/Regulatory Authority including economic offences against our Company

Nil

Other Proceeding against our Company including matters which are considered material as per Materiality Policy

Sr. No.	Case Details	Filed By	Court	Particulars	Brief of current Status
1.	MFA No. 201882 of 2015 in O.S. No. 1 of 2014	Shilpa Medicare Limited	High Court of Karnataka	<p>A Suit has been filed against our Company by Shilpa Medicare Limited (hereinafter refer as "SML") to secure its product from the scope of Indian Patent numbering 200301 registered by our Company under Indian Patent Act, 1970. SML is in the business of manufacturing and selling Orally Disintegrating Pharmaceutical, which is closest to the patent registered by our Company and for the process of water-soluble film system. However, the process for the manufacture of orally disintegrating strips follows the same process as claimed by our Company.</p> <p>Our Company has also filed a Commercial Suit against SML and Ors. before Hon'ble High of Delhi for infringement of patent as obtained by our Company.</p>	<p>Pending.</p> <p>Last date of hearing was 06.08.2018, next date not yet fixed.</p>

LITIGATIONS BY OUR COMPANY

Criminal proceeding by our Company

Nil

Other Proceeding by our Company including matters which are considered material as per Materiality Policy

SI No.	Case Details	Filed against	Court	Particulars	Brief of current Status
1.	Commercial Suit (COMM) No. 59 of 2015	Nu Therapeutics Private Limited and Ors. including Shilpa Medicare Limited	Hon'ble Delhi High Court	<p>Our Company has filed a Commercial Suit no.59 of 2015 against NU Therapeutics Private Limited and Others for infringement of registered Patent numbering IN200301, which is titled as "A Process for Manufacturing Embedded Water-Soluble Film System" and disclosure and misuse of confidential information which has been shared in due course of business.</p> <p>Further, a damage of Rs. 2,00,00,000 has been prayed from Hon'ble Court against the Respondents on account of their acts of infringement on the said Patent and the misuse of the confidential information and technical know-how.</p>	Pending
2	R/special Civil Application No. 2040 of 2018	Khalid Yunus Shaikh	Hon'ble Gujarat Ahmedabad High Court	Recovery application for the recovery of the amount based on the award made.	Pending

LITIGATIONS INVOLVING OUR DIRECTORS

LITIGATIONS AGAINST OUR DIRECTORS

Criminal Proceeding involving moral turpitude against our Directors

Nil

Action and Proceeding initiated by Statutory/Regulatory Authority against of our Directors

Nil

Other Proceeding against our Directors

Nil

LITIGATIONS BY OUR DIRECTORS

Criminal proceeding by our Directors

Nil

Other Proceeding by our Directors

Nil

LITIGATIONS INVOLVING OUR PROMOTERS

LITIGATIONS AGAINST OUR PROMOTERS

Criminal proceeding involving moral turpitude against our Promoters

Nil

Action and Proceeding initiated by Statutory/Regulatory Authority against of our Promoters

Nil

Other Proceeding against our Promoters

Nil

LITIGATIONS BY OUR PROMOTERS

Criminal proceeding by our Promoters

Nil

Other Proceeding by our Promoters

Nil

LITIGATIONS INVOLVING SUBSIDIARY COMPANIES

LITIGATIONS AGAINST SUBSIDIARY COMPANIES

Criminal proceeding against our Subsidiary Companies

Nil

Action and Proceeding initiated by Statutory/Regulatory Authority against of our Subsidiary Companies

Nil

Other Proceeding against our Subsidiary Companies

Nil

LITIGATIONS BY SUBSIDIARY COMPANIES

Criminal proceeding by our Subsidiary Companies

Nil

Other Proceeding by our Subsidiary Companies

Nil

REVENUE MATTERS:

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2002	VAT	28.39	2003-2004	Asst Commissioner of Sales Tax (Appeal), Mumbai
Central Sales Tax Act, 1956	CST	4.42	2003-2004	Asst Commissioner of Sales Tax (Appeal), Mumbai
Maharashtra Value Added Tax Act, 2002	VAT	36.71	2004-2005	Asst Commissioner of Sales Tax (Appeal), Mumbai
Central Sales Tax Act, 1956	CST	35.21	2004-2005	Asst Commissioner of Sales Tax (Appeal), Mumbai
Central Sales Tax Act, 1956	CST	121.88	2007-2008	Asst Commissioner of Sales Tax (Appeal), Mumbai
Income Tax Act, 1961	Income Tax	68.88	2014-2015*	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	23.27	2015-2016*	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	517.84	2017-2018*	Commission of Income Tax (Appeals)
*Assessment Year				

Name of the statute	Nature of the dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Due Date	Date of Payment
Maharashtra Value Added Tax Act, 2002	VAT	0.95	2006-2007	March 31, 2007	Unpaid
Maharashtra Value Added Tax Act, 2002	VAT	0.40	2007-2008	March 31, 2008	Unpaid
Maharashtra Value Added Tax Act, 2002	VAT	0.21	2009-2010	March 31, 2010	Unpaid

REVENUE MATTERS OF THE ASSOCIATE COMPANY NAMED SPARROW BIOPOLYMER PRODUCTS PVT. LTD.

Name of the statute	Nature of the dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	CST	22.14	2008-2009	Asst Commissioner of Sales Tax (Appeal), Mumbai

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, our Promoters, our Directors nor our Subsidiary Companies are or have been classified as a willful defaulter by a bank or financial institution or a consortium thereof in accordance with the guidelines on willful defaulters issued by RBI.

AMOUNT DUE TO MSME

There is pending dues to one MSME supplier (Vee Dee Enterprises) of Rs. 1.56 Lakhs for more than 30 (thirty) days.

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required for our present business and to undertake the Issue and no further material approvals are required for carrying on our present activities. In addition, except as mentioned in this section “Government and other Statutory Approvals”, as on the date of the Letter of Offer, there are no pending regulatory and government approvals and not pending renewals of licenses or approvals in relation to the activities undertaken by us or in relation to the Issue.

Approvals for its business:

Except as stated below, we have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required for our present business and no further material approvals are required for carrying on our present activities.

Approvals applied for but not yet received as on date of the Letter of Offer:

Nil

PENDING MATERIAL APPROVALS/ LICENSES/ PERMISSIONS TO CONDUCT OUR BUSINESS

A. Material approvals for which renewal applications have been made by our Company

There have been Fifteen (15) trademarks and five (5) patents for which applications have been filed by the Company. However, due to business secrets, the same has not been disclosed in this Letter of offer.

B. Material approvals which have expired and for which renewal applications are yet to be made by our Company

Nil

C. Material approvals required for which no application has been made by our Company

There have been two (2) applications for which applications have not been filed by the Company.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue of Equity Shares to the Eligible Equity Shareholders is being made in accordance with the resolution passed by our Board of Directors under Section 62 and other provisions of the Companies Act 2013, at its meeting held on September 07, 2019.

Our Company has obtained in-principle approval from the BSE and NSE for using their names in the Offer of Letter pursuant to an approval letter dated February 03, 2020 & February 03, 2020 respectively. For the purpose of this Issue, BSE is the Designated Stock Exchange.

The Board of Directors or Committee thereof in their meeting held on February 03, 2020 have determined the Issue Price as Rs. 36 per Rights Equity Share and The Board of Directors in their meeting held on September 07, 2019 have determined the Rights Entitlement as 1(one) Rights Equity Share(s) for every 5 (five) Equity Share(s) held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager to the Issue.

Prohibition by SEBI, the RBI or other Governmental Authorities

Except as mentioned in this Letter of offer, none of our Company, our Promoters, our Promoter Group, our Director(s) and person(s) in control of our Promoters or our Company are or have ever been prohibited from accessing or operating in the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/ court.

Neither our Promoters, nor any of our Director(s) or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any securities market regulator in any other jurisdiction or any other authority/ court. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

Neither our Company, nor any of our Promoters, Group Companies, nor our Director(s), nor the relatives (as per the CA, 2013) of our Promoters are or have been identified as willful defaulters by the RBI or any other governmental authorities.

Neither our promoter nor our Directors, are declared as Fugitive Economic Offenders.

The listing of securities of our Company has never been refused at any time by any stock exchange in India or abroad.

Association with Securities Market

We confirm that none of our Director(s), Promoter(s) or Promoter Group are associated with the securities market in any manner except for trading on day to day basis for the purpose of investments.

Compliance with Regulation 62 (1) of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulation 62(1), to the extent applicable. Further, in relation to compliance with Regulation 62 (1) (a) of the SEBI ICDR Regulations, our Company undertakes to make an application to BSE and NSE for listing of the Rights Equity Shares to be issued pursuant to this Issue. Our Company is listed only at BSE and NSE and the Designated Stock Exchange for the Issue shall be BSE.

Applicability of the SEBI ICDR Regulations:

The present Issue being of less than Rs. 1,000 Lakhs, Our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations to extent applicable and our Company has filed the copy of this Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI i.e. www.sebi.gov.in.

Eligibility for the Issue

Our Company is eligible to make this Rights Issue in terms of Chapter III of SEBI ICDR Regulations. Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information with the BSE and NSE in compliance with the Listing Agreement and/or the provisions of the Listing Regulations, as applicable for the last three years immediately preceding the date of filing of this Letter of Offer with the Board.
2. The reports, statements and information referred to in sub-clause (a) above are available on the website of BSE and NSE.
3. Our Company has an investor grievance handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of powers by our Board of Directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, disclosures in this Letter of Offer have been made in terms of Clause (5) of Part B of Schedule VI of the SEBI ICDR Regulations. Please refer risk factors on page 20 of this Letter of offer.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF LETTER OF OFFER TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. LEAD MANAGER(S) NAVIGANT CORPORATE ADVISORS LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE LEAD MANAGER(S) IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER(S) NAVIGANT CORPORATE ADVISORS LIMITED HAS FURNISHED TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 12, 2020 WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER

MATERIAL IN CONNECTION WITH THE FINALISATION OF THE LETTER OF OFFER PERTAINING TO THE SAID ISSUE;

2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - a. THE LETTER OF OFFER FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
 - b. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - c. THE MATERIAL DISCLOSURES MADE IN THE LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE LETTER OF OFFER ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOT APPLICABLE
5. WE CERTIFY THAT THE WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE LETTER OF OFFER WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE LETTER OF OFFER. – NOT APPLICABLE
6. WE CERTIFY THAT ALL APPLICABLE PROVISIONS OF THESE REGULATIONS, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE LETTER OF OFFER. – NOT APPLICABLE
7. WE UNDERTAKE THAT ALL APPLICABLE PROVISIONS OF THESE REGULATIONS WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT THE AUDITORS CERTIFICATE TO THE EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE ISSUE. – NOT APPLICABLE
8. WE CERTIFY THAT NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO IN A SEPARATE BANK

ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION - NOT APPLICABLE. THIS BEING A RIGHTS ISSUE, SECTION 40(3) OF THE COMPANIES ACT, 2013 IS NOT APPLICABLE. FURTHER, TRANSFER OF MONIES RECEIVED PURSUANT. TO THE ISSUE SHALL BE RELEASED TO THE COMPANY AFTER FINALISATION OF THE BASIS OF ALLOTMENT IN COMPLIANCE WITH REGULATION 90 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED

9. WE CERTIFY THAT THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE “MAIN OBJECTS” IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT IN THE LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION.
10. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
11. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE LETTER OF OFFER:
 - a. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - b. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
12. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHILE MAKING THE ISSUE TO THE EXTENT APPLICABLE.
13. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISKS IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTIONS ENTERED INTO FOR THE PERIOD DISCLOSED IN THE OFFER DOCUMENT HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
14. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER(S) ANY IRREGULARITIES OR LAPSES IN LETTER OF OFFER.

Disclaimer from our Company, our Director(s) and the Lead Manager

We and the Lead Manager accept no responsibility for statements made otherwise than in this Letter of Offer or in any advertisement or other material issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at her/his own risk.

We and the Lead Manager shall make all information available to the Eligible Equity Shareholders and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Letter of Offer with SEBI.

The Letter of Offer is rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in the Letter of Offer is current only as of its date.

Investors who invest in the Issue will be deemed to have been represented to us and Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice/evaluation as to their ability and quantum of investment in the Issue.

Applicants will be required to confirm and will be deemed to have represented to our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares and that they shall not issue, sell, pledge or transfer their Rights Entitlement or Rights Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares. Our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Investor on whether such Investor is eligible to acquire any Rights Equity Shares.

The Lead Manager and its affiliates may engage in transactions with, and perform services for, our Company and our group entities or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company and our group entities or affiliates, for which they have received, and may in the future receive, compensation.

Disclaimer in Respect of Jurisdiction

The Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue will be BSE.

Disclaimer Clause of BSE and NSE

BSE

BSE Limited ("the Exchange") has given vide its letter dated February 3, 2020, permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- I. Warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer;
- II. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange;
- III. Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

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

NSE

As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/22893 dated February 3, 2020 permission to the Issuer to use the Exchange's name in this letter of offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

Filing with SEBI

This Letter of Offer has been filed with the head office of SEBI, located at SEBI Bhavan, Plot No.C-4A, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400 51, Maharashtra, India for information and dissemination on the website of SEBI i.e. www.sebi.gov.in.

Selling Restrictions

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

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlement or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, Abridged Letter of Offer and CAFs may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, Abridged Letter of Offer and CAFs will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Letter of Offer, Abridged Letter of Offer and CAFs must be treated as sent for information only and should not be copied, redistributed or acted upon. Accordingly, persons receiving a copy of this Letter of Offer, Abridged Letter of Offer and CAFs should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations. If this Letter of Offer, Abridged Letter of Offer and/or CAFs is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in this Letter of Offer, Abridged Letter of Offer and CAFs. Envelopes containing a CAF should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address. Any person who makes an application to acquire Rights Entitlement and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that he is authorised to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction.

Neither the delivery of this Letter of Offer, Abridged Letter of Offer and CAFs nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or date of such information.

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

We are making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer /Abridged Letter of Offer and CAFs to such Shareholders who have provided an Indian address to our Company. Those overseas Shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Letter of Offer/Abridged Letter of Offer and CAFs, shall not be sent the Letter of Offer / Abridged Letter of Offer and CAFs.

IMPORTANT INFORMATION FOR INVESTORS - ELIGIBILITY AND TRANSFER RESTRICTIONS

As described more fully below, there are certain restrictions regarding the rights and Equity Shares that affect potential investors. These restrictions are restrictions on the ownership of Rights Equity Shares by such persons following the offer.

The rights and the Rights Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulations under the Securities Act) ("U.S. Persons") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

The rights and the Rights Equity Shares have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Eligible Investors

The rights or Rights Equity Shares are being offered and sold only to persons who are outside the United States and are not US. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in offshore transactions in reliance on Regulation under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. All persons who acquire the rights or Equity Shares are deemed to have made the representations set forth immediately below.

Rights Equity Shares and Rights Offered and Sold in this Issue

Each purchaser acquiring the rights or Equity Shares, by acceptance of the Letter of Offer, Abridged Letter of Offer or CAFs and of the rights or Rights Equity Shares, will be deemed to have acknowledged, represented to and agreed with us and the Lead Manager that it has received a copy of the Letter of Offer, Abridged Letter of Offer or CAFs and such other information as it deems necessary to make an informed investment decision and that:

(a) the purchaser is authorised to consummate the purchase of the rights or Rights Equity Shares in compliance with all applicable laws and regulations;

(b) the purchaser acknowledges that the rights and Rights Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and, accordingly, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(c) the purchaser is purchasing the rights or Rights Equity Shares in an offshore transaction meeting the requirements of Rule 903 of Regulations under the Securities Act;

(d) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the rights or Rights Equity Shares, is a non-U.S. Person and was located outside the United States at each time (i) the offer was made to it and (ii) when the buy order for such rights or Rights Equity Shares was originated, and continues to be a non-U.S. Person and located outside the United States and has not purchased such rights or Rights Equity Shares for the account or benefit of any U.S. Person or any person in the United States or entered into any arrangement for the transfer of such rights or Rights Equity Shares or any economic interest therein to any U.S. Person or any person in the United States;

(e) the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

(f) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such rights or Rights Equity Shares, or any economic interest therein, such rights or Rights Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act; and (ii) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until we determine, in its sole discretion, to remove them, and confirms that the proposed transfer of the rights or Rights Equity Shares is not part of a plan or scheme to evade the registration requirements of the Securities Act;

(g) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in

Regulations under the Securities Act in the United States with respect to the rights or the Rights Equity Shares;

(h) the purchaser understands that such rights or Rights Equity Shares (to the extent they are in certificated form), unless we determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATIONS UNDER THE SECURITIES ACT, AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

(i) The purchaser agrees, upon a proposed transfer of the rights or the Rights Equity Shares, to notify any purchaser of such rights or Rights Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the rights or Rights Equity Shares being sold;

(j) we will not recognise any offer, sale, pledge or other transfer of such rights or Rights Equity Shares made other than in compliance with the above-stated restrictions; and

(k) the purchaser acknowledges that our Company, the Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such rights or Rights Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such rights or Rights Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

(l) each person in a Member State of the EEA which has implemented the Prospectus Directive (each, a "Relevant Member State") who receives any communication in respect of, or who acquires any rights or Rights Equity Shares under, the offers contemplated in the Letter of Offer, Abridged Letter of Offer and CAFs will be deemed to have represented, warranted and agreed to and with Lead Manager and our Company that in the case of any rights or Rights Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive;

(m) the rights or Rights Equity Shares acquired by it in the placement have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Lead Manager has been given to the offer or resale; or

(n) where rights or Rights Equity Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those rights or Rights Equity Shares to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of this provision, the expression an "offer of Equity Shares to the public" in relation to any of the rights or Rights Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the rights or Rights Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the rights or Rights Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Listing on the Stock Exchange

The existing Equity Shares of our Company are listed on the BSE and NSE. We have made an application to the BSE and NSE for obtaining ‘in-principle’ approval in respect of the Rights Equity Shares, and have received the same from the BSE and NSE by way of its letters dated February 03, 2020 and February 03, 2020 respectively. We will apply to the BSE and NSE for listing and trading approvals in respect of the Rights Equity Shares.

If the permission to deal in and for an official quotation of the securities is not granted by the BSE or NSE, we shall forthwith repay, without interest, all monies received from applicants in pursuance of the Letter of Offer. We will issue and dispatch Allotment advice/demat credit and/or letters of regret along with refund order or credit the Allotted Rights Equity Shares to the respective beneficiary accounts, if any, within a period of fifteen (15) days from the Issue Closing Date.

If such money is not repaid beyond 8 (eight) days after our Company becomes liable to repay it, i.e., the date of refusal of an application for such a permission from a Stock Exchange, or on expiry of 15 (fifteen) days from the Issue Closing Date in case no permission is granted, whichever is earlier, then our Company and every Director who is an officer in default shall, on and from such expiry of 8 (eight) days, be liable to repay the money, with interest as per the applicable law.

Consents

Consents in writing of the Directors, the Statutory Auditors, Internal Auditors the Lead Manager, the Legal Advisor to the Issue, the Registrar to the Issue, the Registrar to the Issue & Share Transfer Agent to the Company and the Banker(s) to the Company to act in their respective capacities have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer.

M/s. Haribhakti & Co. LLP, Chartered Accountants, our Statutory Auditors, have given their written consent for the inclusion of their report appearing in this Letter of Offer and such consent and report have not been withdrawn up to the date of this Letter of Offer.

Expert Opinion

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

Our Company has received a written consent from the Statutory Auditors namely, M/s. Haribhakti & Co. LLP, to include their name as required under Section 26(1) of the Companies Act, 2013 read with the SEBI ICDR Regulations, and as “experts”, as defined under Section 2(38) of the Companies Act 2013, to the extent and in their capacity as an auditor and in respect of their (c) report dated January 06, 2020 on the Statement of Possible Special Tax Benefits included in this Letter of offer, and such consent has not been withdrawn as on the date of this Letter of Offer. However, they should not be construed as “experts” as defined under U.S. Securities Act, 1933.

Also our Statutory Auditors namely, M/s. Haribhakti & Co. LLP, has also provided their reports in the capacity of Statutory Auditors of the Company, as under which have been included in the Letter of offer:

- (a) Audit report dated May 18, 2019 on our financial statements for the year ended March 31, 2019,
- (b) Limited review report dated November 14, 2019 on unaudited financial results for the Six months period ended September 30, 2019.

Issue Related Expenses

The Issue related expenses comprise of fees payable to the Lead Manager, Legal counsel, Auditors, Registrar to the Issue, printing and stationery expenses, advertising and marketing expenses, underwriting fees, selling commission and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange. For details of total expenses of the Issue, refer to chapter “Objects of the Issue” beginning on page 90 of this Offer of Letter.

Investor Grievances arising out of the Issue

Any investor grievances arising out of the Issue will be handled by the Registrar to the Issue i.e. Link Intime India Private Limited. The agreement between the Company and the Registrar to the Issue provides for a period for which records shall be retained by the Registrar to the Issue in order to enable the Registrar to the Issue to redress grievances of Investors.

All grievances relating to the Issue may be addressed to the Registrar to the Issue or the SCSBs giving full details such as name, address of the applicant, contact number(s), e-mail ID of the first holder, demat account number, serial number of the CAF, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the designated branch of the SCSBs where the CAF, or the plain paper application, as the case maybe, was submitted by the ASBA Investors along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the renounce should be furnished.

The average time taken by the Registrar to the Issue for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

Investors may contact the Registrar to the Issue at:

Registrar to the Issue

Link Intime India Private Limited

C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai - 400 083
Maharashtra, India
Telephone: +91 22 4918 6200
Facsimile: +91 22 4918 6195
Email: arrowgreentech.rights@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Sumeet Deshpande
SEBI Registration No: INR000004058

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue/post- Issue related matter such as non-receipt of letter of Allotment, credit of Rights Equity Shares, refund and such other matters. The contact details of the Compliance Officer are as follows:

Company Secretary and Compliance Officer

Ms. Poonam Bansal
Arrow Greentech Limited
Solitaire Corporate Park
Bldg No 3, 7th Floor, Unit No 372
Guru Hargovindji Marg Chakala, Andheri (East)
Mumbai - 400093.

E-mail: poonam@arrowgreentech.com

Website: www.arrowgreentech.com

Tel: +91-22-4074 9000

Status of Complaints

- i. Total number of complaints received during Fiscal 2017: Nil
- ii. Total number of complaints received during Fiscal 2018: Nil
- iii. Total number of complaints received during Fiscal 2019: Nil
- iv. Time normally taken for disposal of various types of investor complaints: 15 days
 - (a) Share transfer process: Within 15 days after receiving full set of documents
 - (b) Share transmission process: Within 21 days after receiving full set of documents
 - (c) Other Complaints: Within 15 days from the receipt of the complaint

Status of outstanding investor complaints

As on the date of the LOF, there are Nil outstanding investor complaints.

Changes in Auditor during the last three years

There has been no change in the Auditors of the Company during the last three years.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue of the Rights Equity Shares being offered under the Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 15 (fifteen) days from the Issue Closing Date. If there is any delay in the refund of the subscription amount of more than 8 (eight) days after our Company becomes liable to pay the subscription amount (i.e. 15 (fifteen) days after the Issue Closing Date), our Company and its Directors (who are officers in default) shall pay interest for the delayed period, at such rates as prescribed under the Companies Act.

SECTION VIII - ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

This Section applies to all Investors. Investors should carefully read the provisions in this Letter of Offer, the Abridged Letter of Offer and the CAF, before submitting an Application Form. The Company and the Lead Manager are not liable for any amendments, modifications or changes in applicable law which may occur after the date of this Letter of Offer.

The Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, including the CAF, the SAF, the MOA and AOA of our Company, the provisions of the Companies Act, the terms and conditions as may be incorporated in the FEMA, applicable guidelines and regulations issued by SEBI or other statutory authorities and bodies from time to time, the SEBI Listing Regulations, terms and conditions as stipulated in the allotment advice or security certificate and rules as may be applicable and introduced from time to time.

In terms of the SEBI ICDR Regulations and subject to the conditions prescribed under the SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 and SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011 (together the “ASBA Circulars”), all Eligible Equity Shareholders who (a) hold Equity Shares in dematerialized form, (b) have not renounced their Rights Entitlement in part or in full, and (c) are not Renouncees, shall use the ASBA process to make an application in the Issue. Eligible Equity Shareholders who have renounced their Rights Entitlement in part, Renouncees and Eligible Equity Shareholders holding Equity Shares in physical form are not eligible ASBA Investors and may apply for Rights Equity Shares only through the non-ASBA process, irrespective of the application amounts/Applicant category. All QIB Investors, Non-Institutional Investors and other Applicants whose application amount exceeds Rs. 2,00,000, complying with the eligibility conditions prescribed above must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the above conditions may optionally apply through the ASBA process or the non ASBA process.

ASBA Investors should note that the ASBA process involves application procedures that may be different from the procedure applicable to non-ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please see “Procedure for Application through the Applications Supported by Blocked Amount (“ASBA”) Process” on page 301 of this Letter of Offer. Notwithstanding anything contained hereinabove, all Renouncees (including Renouncees who are Individuals) shall apply in the Issue only through the non-ASBA process.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues/ Rights Issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, for ensuring compliance with the applicable regulations.

All rights/obligations of the Eligible Shareholders in relation to application and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

In accordance with the SEBI ICDR Regulations, the option to receive the Rights Equity Shares in physical form was available only for a period of six months from the date of coming into force of the SEBI ICDR Regulations, i.e., until May 10, 2019. Since Allotment in this Issue will occur subsequent to May 10, 2019, the entitlement of Rights Equity Shares to be Allotted to the Applicants who have applied for Allotment of the Rights Equity Shares in physical form will be kept in abeyance in electronic mode by our Company until the Applicants provide details of their demat account particulars to the Registrar to the Issue. *Please refer the risk factor on page 20 of this letter of offer.*

Authority for the Issue

The Issue of Equity Shares to the Eligible Equity Shareholders is being made in accordance with:

- a. the resolution passed by our Board of Directors under Section 62 and other provisions of the Companies Act 2013, at its meeting held on September 07, 2019;
- b. In-principle approval from BSE and NSE dated February 03, 2020 and February 03, 2020 respectively; and

The Board of Directors or Committee thereof in their meeting held on February 03, 2020 have determined the Issue Price as Rs. 36 per Rights Equity Share and the Rights Entitlement as 1 (one) Rights Equity Share(s) for every 5 (five) Equity Share(s) held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager to the Issue.

Basis for the Issue

The Rights Equity Shares are being offered for subscription for cash to those existing Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories for the purpose of this Rights Issue in respect of the Equity Shares held in the electronic form and on the register of members in respect of the Equity Shares held in physical form at the close of business hours on the Record Date i.e. Thursday, February 13, 2020 fixed in consultation with BSE and NSE.

Rights Entitlement

Eligible Equity Shareholder whose name appears as a beneficial owner in respect of the Equity Shares held in the electronic form or appears in the register of members as an Equity Shareholder as on the Record Date i.e. Thursday, February 13, 2020, are entitled to the number of Rights Equity Shares as set out in Part A of the CAFs.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch this Letter of Offer/Abridged Letter of Offer and CAF only to Eligible Equity Shareholders who have provided an Indian address to our Company. The distribution of this Letter of Offer/Abridged Letter of Offer and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Any person who acquires Rights Entitlements or Rights Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Letter of Offer/Abridged Letter of Offer/CAF that such person is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements will not be, in any restricted jurisdiction.

PRINCIPAL TERMS OF THE EQUITY SHARES ISSUED UNDER THE ISSUE

Face Value

Each Equity Share will have the face value of Rs.10.

Issue Price

Each Rights Equity Share shall be offered at an Issue Price of Rs. 36 for cash at a premium of Rs. 26 per Rights Equity Share. The Issue Price has been arrived at after consultation between our Company and the Lead Manager and has been decided prior to the determination of the Record Date.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Equity Shareholders in the ratio of 1 (one) Rights Equity Shares for every 5 (five) fully paid-up Equity Shares held on the Record Date.

Terms of Payment

The full amount of Issue Price Rs. 36 is payable on application.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to the Equity Shareholders in the ratio of 1 (one) of every Rights Equity Shares for every 5 (five) fully paid-up Equity Shares held on the Record Date.

Further, the Equity Shareholders holding less than five (5) Equity Shares shall have 'zero' entitlement in the Rights Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the CAF shall be non-negotiable / non-renounceable.

Ranking of the Equity Shares

The Rights Equity Shares being issued and Allotted pursuant to the Issue shall be subject to the provisions of our Memorandum of Association and Articles of Association. The Equity Shares issued under the Issue shall rank *paripassu*, in all respects including dividends with our existing Equity shares.

Mode of payment of dividend

In the event of declaration of dividends, we shall pay dividends to equity shareholders as per the provisions of the Companies Act and the provisions of our Articles of Association.

Listing and trading of Rights Equity Shares proposed to be issued

Our existing equity shares are currently listed and traded on BSE (Scrip Code: 516064) and NSE (Scrip Code: ARROWGREEN under the ISIN INE570D01018). The Rights Equity Shares proposed to be issued pursuant to the Issue shall, in terms of the circular (no.CIR/MRD/DP/21/2012) by SEBI dated August 2, 2012, be Allotted under a temporary ISIN which shall be kept blocked till the receipt of final listing and trading approval from the Stock Exchange. Upon receipt of such listing and trading approval, the Rights Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN of our Company and be available for trading.

The listing and trading of the Rights Equity Shares shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the schedule. Upon Allotment, the Rights Equity Shares shall be traded on Stock Exchange in the demat segment only.

We have made an application for “in-principle” approval for listing of the Rights Equity Shares to the BSE and NSE. We have received such approval from the BSE and NSE dated February 03, 2020 and February 03, 2020 respectively. We will apply to the BSE and NSE for final approval for the listing and trading of the

Rights Equity Shares. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or that the price at which the Equity Shares offered under the Issue will trade after listing on the Stock Exchange. All steps for the completion of the necessary formalities for listing and commencement of trading of the Rights Equity Shares to be allotted pursuant to the Issue shall be taken in accordance with law. The Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the BSE and NSE under the existing ISIN for Equity Shares.

Intention and extent of participation by our Promoters and Promoter Group in the Issue

Our Promoter and entities forming part of our Promoter Group have, vide their letters dated January 09, 2020 (the "Subscription Letters") have undertaken to (a) subscribe, to the full extent of their Rights Entitlement or subscribe to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly, with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to any unsubscribed portion (if any) in the Issue, in compliance with Regulation 10(4) of the Takeover Regulations and the applicable law. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) shall be exempt in terms of Regulation 10(4)(b) of the Takeover Regulations subject to fulfilment of conditions mentioned therein and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Rights of the Rights Equity Shareholder

Subject to applicable laws, the Rights Equity Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote in person or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right to free transferability of Rights Equity Shares; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act and Memorandum of Association and Articles of Association.

Arrangements for Disposal of Odd Lots

Our Equity Shares are traded in dematerialised form only and therefore the marketable lot is one Equity Share and hence, no arrangements for disposal of odd lots are required.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

However, the Investors should note that pursuant to provisions of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be effected unless the securities are held in the dematerialized form with a depository.

General Terms of the Issue

Market Lot

The Equity Shares of our Company are tradable only in dematerialised form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association. In case of joint holders, the Application Form would be required to be signed by all the joint holders to be considered as valid for allotment of Rights Equity Shares. In case such Equity Shareholders who are joint holders wish to renounce their Rights Entitlement, all such Equity Shareholders who are joint holders would be required to sign Part B of the CAF. In absence of signatures of all joint holders, the CAF would be liable for rejection.

Nomination

In terms of Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, nomination facility is available in respect of the Equity Shares. An Investor can nominate any person by filling the relevant details in the CAF in the space provided for this purpose.

In case of Equity Shareholders who are individuals, a sole Equity Shareholder or the first named Equity Shareholder, along with other joint Equity Shareholders, if any, may nominate any person(s) who, in the event of the death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the Equity Shares. A person, being a nominee, becoming entitled to the Equity Shares by reason of the death of the original Equity Shareholder(s), shall be entitled to the same advantages to which he would be entitled if he were the registered holder of the Equity Shares. Where the nominee is a minor, the Equity Shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s), in the event of death of the said holder, during the minority of the nominee. A nomination shall stand rescinded upon the sale of the Equity Shares by the person nominating. A transferee will be entitled to make a fresh nomination in the manner prescribed. Where the Equity Shares are held by more than one person jointly, the nominee shall become entitled to all rights in the Equity Shares only in the event of death of all the joint holders. Fresh nominations can be made only in the prescribed form available on request at the Registered Office of our Company or such other person at such addresses as may be notified by our Company. The Investor can make the nomination by filling in the relevant portion of the CAF. In terms of Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014, or any other rules that may be prescribed under the Companies Act, any person who becomes a nominee, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

If the person being a nominee, so becoming entitled, elects to be registered as holders of the Equity Shares himself, he shall deliver to our Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased Equity Shareholder.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Only one nomination would be applicable for one folio. Hence, in case the Equity Shareholder(s) has already registered the nomination with our Company, no further nomination needs to be made for Equity Shares that may be allotted in this Issue under the same folio.

Since the shares under the Rights issue will be allotted only in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with respective Depository Participant (“DP”) of the Investor would prevail. Any Investor desirous of changing the existing nomination is requested to inform its respective DP.

Offer to Non-Resident Eligible Equity Shareholders/Investors

Applications received from NRs for Equity Shares under the Issue shall be, *inter alia*, subject to the conditions imposed from time to time by the RBI under FEMA, in the matter of receipt and unblocking of funds, Demat credit, payment of interest and dividends. General permission has been granted to any person resident outside India to purchase shares offered on a rights basis by an Indian company in terms of FEMA and Regulation 6 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (“FEMA 20, 2017”). The Abridged Letter of Offer and CAF shall be dispatched to non-resident Eligible Equity Shareholders at their Indian address only. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.

The Equity Shares purchased on a rights basis by Non-Residents shall be subject to the same conditions including restrictions in regard to the repatriability as are applicable to the original Equity Shares against which Equity Shares are issued on a right basis.

CAFs will be made available for eligible NRIs at our Registered Office and with the Registrar to the Issue.

In case of change of status of holders i.e. from Resident to Non-Resident, a new demat account must be opened.

Notices

All notices to the Equity Shareholder(s) required to be given by our Company shall be published in one English national daily with wide circulation, one Hindi national daily with wide circulation and one regional language daily newspaper with wide circulation in the state where our registered office is located, in our case being, Marathi daily and also give an intimation to the stock exchanges for dissemination on their websites and/or, will be sent by ordinary post/registered post/speed post the registered address of the Equity Shareholders in India or the Indian address provided by the Equity Shareholders, from time to time. However, the distribution of the Letter of Offer/Abridged Letter of Offer/CAF and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions.

Procedure for Application

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

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the CAF/duplicate CAF attributable to postal delays or if the CAF/duplicate CAF are

misplaced in the transit. Equity Shareholders should note that those who are making the application in such duplicate CAF should not utilise the original CAF for any purpose, including renunciation, even if the original CAF is received or found subsequently. If any Equity Shareholder violates any of these requirements, he/she shall face the risk of rejection of both applications.

Please note that in accordance with the provisions of SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are QIBs or Non-Institutional Investors must mandatorily make use of ASBA facility.

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

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

CAF

The Registrar to the Issue will dispatch the CAF along with the Abridged Letter of Offer along to all Equity Shareholders as per their Rights Entitlement on the Record Date.

Applicants may choose to accept the offer to participate in the Issue by making plain paper Applications. For more information, see “*Terms of the Issue - Application on Plain Paper*” on pages 292 and 304.

The CAF consists of four parts:

- Part A: Form for accepting the Rights Equity Shares offered as a part of this Issue, in full or in part, and for applying for additional Rights Equity Shares;
- Part B: Form for renunciation of Rights Equity Shares;
- Part C: Form for application of Rights Equity Shares by renouncee(s);
- Part D: Form for request for Split Application Forms.

Acceptance of the Issue

You may accept the offer to participate and apply for the Rights Equity Shares offered, either in full or in part without renouncing the balance, by filling Part A of the CAFs and submit the same along with the application money payable to the Banker(s) to the Issue or any of the collection branches as mentioned on the reverse of the CAFs before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by our Board of Directors in this regard. Investors at centres not covered by the branches of collecting banks can send their CAFs together with the cheque drawn at par on a local bank at Mumbai, demand draft payable at Mumbai to the Registrar to the Issue by registered post/speed post so as to reach the Registrar to the Issue prior to the Issue Closing Date. Please note that neither our Company nor the Lead Manager nor the Registrar to the Issue shall be responsible for delay in the receipt of the CAF attributable to postal delays or if the CAF is misplaced in transit. Such applications sent to anyone other than the Registrar to the Issue are liable to be rejected. For further details on the mode of payment, see “*Mode of Payment for Resident Equity Shareholders/Investors*” and “*Mode of Payment for Non-Resident Equity Shareholders/Investors*” on page 294.

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Equity Shares offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under “*Terms of the Issue-Basis of Allotment*” on page 311.

Under the foreign exchange regulations currently in force in India, transfers of shares between Non-Residents and residents are permitted subject to compliance with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or certain other conditions, then the prior approval of the RBI will be required. FVCIs, Category - I AIFs and VCFs are not permitted to participate in the rights issue by listed companies. For details on restrictions on eligibility by FPIs and FVCIs, see “*Terms of the Issue - Investment by FPIs and NRIs*” and “*Terms of the Issue - Investment by AIFs, FVCIs and VCFs*” on pages 316.

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

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

Renunciation

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

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognised as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, the existing Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s).

The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the

investment is through Government Route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Shareholders renouncing their rights in favour of OCBs may do so provided such renouncee obtains a prior approval from the RBI. On submission of such approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

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

Procedure for renunciation

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

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

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

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

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

Renouncee(s)

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

Change and/or introduction of additional holders

If you wish to apply for Rights Equity Shares jointly with any other person(s), not more than three (including you), who is/are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, this right of renunciation is subject to the express condition that our Board of Directors shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof. All such applications will be treated as applications from Renouncees and shall have to be made through then non-ASBA process only to be considered valid for allotment.

APPLICATIONS FOR NON-ASBA INVESTORS

Eligible Equity Shareholders who are eligible to apply under the Non - ASBA process

The option of applying for Equity Shares through non - ASBA process is available only to Eligible Equity Shareholders whose application amount does not exceed Rs. 2 lakhs as well as Renounees. All Applicants who are QIBs and Non - Institutional Investors can apply in the Issue only through the ASBA process.

Instructions for Options for Non-ASBA Investors

The summary of options available to the Eligible Equity Shareholder is presented below. You may exercise any of the following options with regard to the Rights Equity Shares offered, using the CAF:

No.	Option Available	Action Required
1.	Accept whole or part of your Rights Entitlement without renouncing the balance	Fill in and sign Part A (<i>All joint holders must sign in the same sequence</i>)
2.	Accept your Rights Entitlement in full and apply for additional Rights Equity Shares	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Rights Equity Shares (<i>All joint holders must sign in the same sequence</i>)
3.	Accept a part of your Rights Entitlement and renounce the balance to one or more Renounee(s) Or Renounce your Rights Entitlement to all the Rights Equity Shares offered to you to more than one Renounee	Fill in and sign Part D (<i>all joint holders must sign in the same sequence</i>) requesting for SAFs. Send the CAF to the Registrar to the Issue so as to reach them on or before the last date for receiving requests for SAFs. Splitting will be permitted only once. On receipt of the SAF take action as indicated below: a) For the Rights Equity Shares you wish to accept, if any, fill in and sign Part A. b) For the Rights Equity Shares you wish to renounce, fill in and sign Part B indicating the number of Equity Shares renounced and hand it over to the Renounee. Each of the Renounees should fill in and sign Part C for the Rights Equity Shares accepted by them.
4.	Renounce your Rights Entitlement in full to one person (Joint Renounees are considered as one)	Fill in and sign Part B (<i>all joint holders must sign in the same sequence</i>) indicating the number of Rights Equity Shares renounced and hand it over to the Renounee. The Renounee must fill in and sign Part C (<i>All joint Renounees must sign in the same sequence</i>)
5.	Introduce a joint holder or change the sequence of joint holders	This will be treated as a renunciation. Fill in and sign Part B and the Renounee must fill in and sign Part C.

In case of Equity Shares held in physical form, Applicants must provide information in the CAF as to their respective bank account numbers, name of the bank, to enable the Registrar to the Issue to print the said details on the refund order. Failure to comply with this may lead to rejection of application. In case of Equity Shares are held in demat form, bank account details furnished by the Depositories will be printed on the refund order.

Please note that:

- Options 3, 4 and 5 will not be available for Equity Shareholders applying through ASBA process.
- Part 'A' of the CAF must not be used by any person(s) other than the Equity Shareholder to whom the Letter of Offer has been addressed. If used, this will render the application invalid.
- Request for SAF should be made for a minimum of one Rights Equity Share or, in either case, in multiples thereof and one SAF for the balance Rights Equity Shares, if any.
- Request by the Investor for the CAFs should reach the Registrar on or before last date for receiving request for CAF(s).
- Only the Equity Shareholder to whom the Letter of Offer has been addressed shall be entitled to renounce and to apply for CAFs. Forms once split cannot be split further.
- CAFs will be sent to the Investor (s) by post at the applicant's risk.
- Equity Shareholders may not renounce in favour of persons or entities in the restricted jurisdictions including the United States or to or for the account or benefit of a "U.S. Person" (as defined in Regulations of the U.S Securities Act, 1933), or who would otherwise be prohibited from being offered or subscribing for Rights Equity Shares or Rights Entitlement under applicable securities laws.
- While applying for or renouncing their Rights Entitlement, joint Equity Shareholders must sign the CAF in the same order as per specimen signatures recorded with us or the Depositories.
- Non-resident Equity Shareholders: Application(s) received from Non-Resident/NRIs, or persons of Indian origin residing abroad for allotment of Rights Equity Shares allotted as a part of this Issue shall, amongst other things, be subject to conditions, as may be imposed from time to time by the RBI in the matter of refund of application money, allotment of equity shares, subsequent issue and allotment of equity shares, interest, export of share certificates, etc. In case a Non-Resident or NRI Investor has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Applications not accompanied by the aforesaid approvals are liable to be rejected.
- Applicants must write their CAF number at the back of the cheque/demand draft.
- The RBI has mandated that CTS 2010 compliant cheques can only be presented in clearing hence the CAFs accompanied by non-CTS cheques could get rejected.

Availability of duplicate CAF

In case the original CAF is not received, or is misplaced by the Investor, the Registrar to the Issue will issue a duplicate CAF on the request of the Investor who should furnish the registered folio number/DP and Client ID number and his/her full name and address to the Registrar to the Issue. Please note that the request for duplicate CAF should reach the Registrar to the Issue within eight days from the Issue Opening Date. Please note that those who are making the application in the duplicate form should not utilise the original CAF for any purpose including renunciation, even if it is received/found subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications.

Our Company or the Registrar to the Issue or the Lead Manager, shall not be responsible for postal delays or loss of duplicate CAFs in transit, if any.

Application on Plain Paper- Non ASBA

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

The envelope should be superscribed “Arrow Greentech Limited - Rights Issue - R” in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and “Arrow Greentech Limited - Rights Issue - NR” in case of non-resident shareholders applying on repatriable basis.

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

- Name of Issuer, being Arrow Greentech Limited;
- Name and address of the Equity Shareholder including joint holders;
- Registered Folio Number/DP and Client ID no.;
- Number of Equity Shares held as on Record Date;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for;
- Total amount paid at the rate of Rs. 36 per Rights Equity Share;
- Particulars of cheque/demand draft;
- Savings/Current Account Number and name and address of the bank where the Equity Shareholder will be depositing the refund order. In case of Equity Shares allotted in demat form, the bank account details will be obtained from the information available with the Depositories;
- Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants;
- Signature of the Equity Shareholders to appear in the same sequence and order as they appear in our records or the Depositories’ records

- In case of Non-Resident Equity Shareholders, NRE/FCNR/NRO A/c No. name and address of the bank and branch;
- If payment is made by a draft purchased from an NRE/FCNR/NRO A/c No., as the case may be, an Account debit certificate from the bank issuing the draft, confirming that the draft has been issued by debiting NRE/FCNR/NRO A/c; and
- Additionally, all such applicants are deemed to have accepted the following:

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

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

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

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

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

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilise the original CAF for any purpose including renunciation even if it is received subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications. We shall refund such application amount to the Investor without any interest thereon and no liability shall arise on part of our Company, Lead Manager and its Directors.

Investors are requested to note that CAF or plain paper application with only foreign addresses is liable to be rejected on technical grounds. The CAF or plain paper application should contain the Indian address also if foreign address is mentioned.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor.

The plain paper application format will be available on the website of the Registrar to the Issue at www.linkintime.co.in.

Last date for Application

The last date for submission of the duly filled in CAF or plain paper application is March 13, 2020. Our Board of Directors may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date.

If the CAF together with the amount payable is not received by the Banker to the Issue/Registrar to the Issue on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and the Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered.

Mode of payment for Resident Equity Shareholders/Investors

All cheques/drafts accompanying the CAF should be drawn in favour of the Collecting Bank (specified on the reverse of the CAF), crossed 'A/c Payee only' and marked "Arrow Greentech Limited - Rights Issue -R".

Investors residing at places other than places where the bank collection centres have been opened by our Company for collecting applications, are requested to send their CAFs together with Demand Draft for the full application amount, net of bank and postal charges favouring the Banker to the Issue, crossed 'A/c Payee only' and marked "Arrow Greentech Limited - Rights Issue - R" payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

Applications through mails should not be sent in any other manner except as mentioned above. The CAF along with the application money must not be sent to our Company or the Lead Manager or the Registrar. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Equity Shareholders/Investors

As regards the application by non-resident Equity Shareholders, the following conditions shall apply:

- Individual non-resident Indian applicants who are permitted to subscribe for Rights Equity Shares by applicable local securities laws can obtain application forms from the following address:

Link Intime India Private Limited

C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai - 400 083
Maharashtra, India
Telephone: +91 22 4918 6200
Facsimile: +91 22 4918 6195
Email: arrowgreentech.rights@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Sumeet Deshpande
SEBI Registration No: INR000004058

Note: The Letter of Offer/ Abridged Letter of Offer and CAFs to NRIs shall be sent only to their Indian address, if provided.

- All non-resident Investors should draw the cheques/demand drafts in favour of “Arrow Greentech Limited - Rights Issue - R” in case of the resident shareholders and non-resident shareholders applying on non-repatriable basis and in favour of “Arrow Greentech Limited - Rights Issue - NR” in case of the non-resident shareholders applying on repatriable basis, crossed “A/c Payee only” for the full application amount, net of bank and postal charges and which should be submitted along with the CAF to the Banker to the Issue/collection centres or to the Registrar to the Issue.
- Non-resident Investors applying from places other than places where the bank collection centres have been opened by our Company for collecting applications, are requested to send their CAFs together with demand draft for the full application amount, net of bank and postal charges drawn in favour of Banker to the Issue, crossed “A/c Payee only” and marked as “Arrow Greentech Limited - Rights Issue - NR” payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.
- Applications will not be accepted from non-resident from any jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.
- Payment by non-residents must be made by demand draft payable at Mumbai/cheque payable drawn on a bank account maintained at Mumbai or funds remitted from abroad in any of the following ways:

Application with repatriation benefits

- By Indian Rupee drafts purchased from abroad and payable at Mumbai or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate);
- By cheque/draft on a Non-Resident External Account (“NRE”) or Foreign Currency Non-Resident (“FCNR”) Account maintained in India;
- By Rupee draft purchased by debit to NRE/FCNR Account maintained elsewhere in India and payable in Mumbai;
- Non-resident Investors applying with repatriation benefits should draw cheques/drafts in favour of and marked “Arrow Greentech Limited - Rights Issue - NR” and must be crossed ‘account payee only’ for the full application amount, net of bank and postal charges;
- FPIs registered with SEBI must remit funds from special non-resident rupee deposit account;
- Investors may note that where payment is made by drafts purchased from NRE/FCNR accounts as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected;
- In the case of NRI Investors who remit their application money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any, shall be credited to such account details of which should be furnished in the appropriate columns in the CAF. In the case of NRI Investors who remit their application money through Indian Rupee drafts from abroad, refunds and other disbursements, if any, will be made in U.S Dollars at the rate of exchange prevailing at such time subject to the permission of RBI. Our Company will not be liable for any loss on account of exchange rate fluctuation for converting the Rupee amount into U.S. Dollar or for collection charges charged by the Investor’s bankers;

- Payments through NRO accounts will not be permitted; or
- Investors may note that where payment is made by drafts purchased from NRE/FCNR accounts as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.

Application without repatriation benefits

- As far as non-residents holding Equity Shares on non-repatriation basis are concerned, in addition to the modes specified above, payment may also be made by way of cheque drawn on Non-Resident (Ordinary) Account maintained in India or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at Mumbai. In such cases, the Allotment of Equity Shares will be on non-repatriation basis.
- All cheques/drafts submitted by non-residents applying on a non-repatriation basis should be drawn in favour of “Arrow Greentech Limited- Rights Issue - R” and must be crossed ‘account payee only’ for the full application amount, net of bank and postal charges. The CAFs duly completed together with the amount payable on application must be deposited with the collecting bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
- Investors may note that where payment is made by drafts purchased from NRE/FCNR/NRO accounts as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR/NRO account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.
- New demat account shall be opened for holders who have had a change in status from resident Indian to NRI. Any application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected.

Notes:

- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the IT Act.
- In case Rights Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
- The CAF duly completed together with the amount payable on application must be deposited with the collecting bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
- In case of an application received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines/rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

General instructions for non-ASBA Investors

- a. Please read the instructions printed on the enclosed CAF carefully.
- b. Applicants that are not QIBs or are not Non - Institutional Investor or those whose application money does not exceed Rs. 2,00,000 may participate in the Issue either through ASBA or the non-ASBA process. Eligible Shareholders who have renounced their entitlement (in full or in part), Renounees and

Applicants holding Equity Shares in physical form may participate in the Issue only through the non ASBA process.

- c. Application should be made on the printed CAF, provided by our Company except as mentioned under the head “Application on Plain Paper-non ASBA” on page 292 and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer or Abridged Letter of Offer are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The CAF must be filled in English and the names of all the Investors, details of occupation, address, father’s / husband’s name must be filled in block letters.
- d. The CAF together with the cheque/demand draft should be sent to the Banker to the Issue/Collecting Bank or to the Registrar to the Issue and not to our Company or Lead Manager to the Issue. Investors residing at places other than cities where the branches of the Banker to the Issue have been authorised by our Company for collecting applications, will have to make payment by demand draft payable at Mumbai of an amount net of bank and postal charges and send their CAFs to the Registrar to the Issue by registered post. If any portion of the CAF is/are detached or separated, such application is liable to be rejected.
- e. Applications where separate cheques/demand drafts are not attached for amounts to be paid for Rights Equity Shares are liable to be rejected.
- f. Except for applications on behalf of the Central and State Government, the residents of Sikkim and the officials appointed by the courts, all Investors, and in the case of application in joint names, each of the joint Investors, should mention his/her PAN number allotted under the IT Act, irrespective of the amount of the application. CAFs without PAN will be considered incomplete and are liable to be rejected.
- g. Investors, holding Equity Shares in physical form, are advised that it is mandatory to provide information as to their savings/current account number, the nine digit MICR number and the name of the bank with whom such account is held in the CAF to enable the Registrar to the Issue to print the said details in the refund orders, if any, after the names of the payees. Application not containing such details is liable to be rejected
- h. All payment should be made by cheque/demand draft only. Application through the ASBA process as mentioned above is acceptable. Cash payment is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
- i. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Equity Shareholders must sign the CAF as per the specimen signature recorded with our Company.
- j. In case of an application under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under this Issue and to sign the application and a copy of the Memorandum and Articles of Association and/or bye laws of such body corporate or society must be lodged with the Registrar to the Issue giving reference of the serial number of the CAF. In case the above referred documents are already registered with our Company, the same need not be a furnished again. In case these papers are sent to any other entity besides the Registrar to the Issue or are sent after the Issue Closing Date, then the application is liable to be rejected. In no case should these papers be attached to the application submitted to the Banker to the Issue.

- k. In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company. Further, in case of joint Investors who are Renounees, the number of Investors should not exceed three. In case of joint Investors, reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.
- l. Application(s) received from NRs/NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, inter alia, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, Allotment of Rights Equity Shares, subsequent issue and Allotment of Rights Equity Shares, interest, export of share certificates, etc. In case a NR or NRI Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Additionally, applications will not be accepted from NRs/NRIs in the United States or its territories and possessions, or any other jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- m. All communication in connection with application for the Rights Equity Shares, including any change in address of the Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole Investor, folio numbers and CAF number. Please note that any intimation for change of address of Equity Shareholders, after the date of Allotment, should be sent to the Registrar and Transfer Agents of our Company, in the case of Equity Shares held in physical form and to the respective depository participant, in case of Equity Shares held in dematerialised form.
- n. CAFs cannot be re-split.
- o. Only the person or persons to whom Rights Equity Shares have been offered and not Renounee(s) shall be entitled to obtain CAFs.
- p. Investors must write their CAF number at the back of the cheque/demand draft.
- q. Only one mode of payment per application should be used. The payment must be by cheque/demand draft drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub member of the bankers clearing house located at the centre indicated on the reverse of the CAF where the application is to be submitted.
- r. A separate cheque/draft must accompany each CAF. Outstation cheques/demand drafts or post-dated cheques and postal/money orders will not be accepted and applications accompanied by such cheques/demand drafts/money orders or postal orders will be rejected.
- s. No receipt will be issued for application money received. The Banker to the Issue/Collecting Bank/Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.
- t. The distribution of the Letter of Offer and issue of Equity Shares and Rights Entitlements to persons in certain jurisdictions outside India may be restricted by legal requirements in those jurisdictions. Persons in the United States and such other jurisdictions are instructed to disregard the Letter of Offer and not to attempt to subscribe for Equity Shares.

Do's for non-ASBA Investors:

- Check if you are eligible to apply i.e. you are an Equity Shareholder on the Record Date;
- Read all the instructions carefully and ensure that the cheque/draft option is selected in part A of the CAF and necessary details are filled in;

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- In the event you hold Equity Shares in dematerialised form, ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialised form only;
 - Ensure that your Indian address is available to our Company and the Registrar, in case you hold equity shares in physical form or the depository participant, in case you hold equity shares in dematerialised form;
 - Ensure that the CAFs are submitted at the collection centres of the Banker to the Issue only on prescribed forms;
 - Ensure that the value of the cheque/draft submitted by you is equal to the (number of Equity Shares applied for) X (Issue Price of Equity Shares, as the case may be) before submission of the CAF;
 - Ensure that you receive an acknowledgement from the collection centers of the collection bank for your submission of the CAF in physical form;
 - Ensure that you mention your PAN allotted under the IT Act with the Application Form, except for Application on behalf of the Central and State Governments, residents of the state of Sikkim and officials appointed by the courts;
 - Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF; and
 - Ensure that the Demographic Details are updated, true and correct, in all respects.

Don'ts for non-ASBA Investors

- Do not apply if you are not eligible to participate in this Issue in terms of the securities laws applicable to your jurisdiction;
- Do not apply on duplicate CAF after you have submitted a CAF to a collection center of the collection bank;
- Do not pay the amount payable on application in cash, by money order or by postal order;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground; and
- Do not submit Application accompanied with Stock invest.

Grounds for Technical Rejection for non-ASBA Investors

Investors are advised to note that applications may be rejected on technical grounds, including the following:

- Amount paid does not tally with the amount payable;
- Bank account details (for refund) are not provided or available with the depositories or Registrar to the issue, as the case may be;
- Age of Investor(s) not given (in case of Renounees);

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- Application for Allotment of Rights Entitlements or additional shares in physical form;
 - Except for CAFs on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN number not given for application of any value;
 - In case of CAF under power of attorney or by limited companies, corporate, trust, relevant documents are not submitted;
 - If the signature of the Equity Shareholder does not match with the one given on the CAF and for renouncee(s) if the signature does not match with the records available with their depositories;
 - CAFs are not submitted by the Investors within the time prescribed as per the CAF and the Letter of Offer;
 - CAFs not duly signed by the sole/joint Investors;
 - CAFs by OCBs without specific RBI approval;
 - CAFs accompanied by outstation cheques/post-dated cheques/money order/postal order/outstation demand draft;
 - In case no corresponding record is available with the depositories that matches three parameters, namely, names of the Investors (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity;
 - CAFs that do not include the certifications set out in the CAF to the effect that, among other thing, the subscriber is not located in restricted jurisdictions and is authorised to acquire the Rights Entitlements and Equity Shares in compliance with all applicable laws and regulations;
 - CAFs which have evidence of being executed in/dispatched from restricted jurisdictions;
 - CAFs by ineligible non-residents (including on account of restriction or prohibition under applicable local laws);
 - CAFs where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements;
 - In case the GIR number is submitted instead of the PAN;
 - Applications by Renouncees who are persons not competent to contract under the Indian Contract Act, 1872, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
 - Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application;
 - QIBs and other Equity Shareholders applying for Equity Shares in this Issue for value of more than ₹ 2,00,000 who hold Equity Shares in dematerialised form, applying through the non-ASBA process; and
 - Equity Shareholders not being individuals or HUFs applying for Equity Shares in this Issue for a value not exceeding Rs. 2,00,000, who hold Equity Shares in dematerialised form, applying through the non-ASBA process.

Please read the Letter of Offer or Abridged Letter of Offer and the instructions contained therein and in the CAF carefully before filing in the CAF. The instructions contained in the CAF are an integral part of the Letter of Offer and must be carefully followed. The CAF is liable to be rejected for any non-compliance of the provisions contained in the Letter of Offer or the CAF.

Please note that Equity Shareholders being QIBs and Non-Institutional Investors can participate in this Issue only through the ASBA process. Retail Individual Investors whose application amounts do not exceed Rs. 2,00,000 can participate in this Issue either through the ASBA process or the non ASBA process.

PROCEDURE FOR APPLICATION THROUGH THE APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (“ASBA”) PROCESS

This section is for the information of the ASBA Investors proposing to subscribe to the Issue through the ASBA Process. The Lead Manager and we are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors who are eligible to apply under the ASBA Process are advised to make their independent investigations and to ensure that the CAF is correctly filled up.

The Lead Manager, we, our Directors, affiliates, Associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. In relation to applications accepted by SCSBs, applications uploaded by SCSBs, applications accepted but not uploaded by SCSBs or applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by SCSBs, the amount payable on application has been blocked in the relevant ASBA Account.

Please note in accordance with the provisions of SEBI circular number CIR/CFD/DIL/1/2011 dated April 29, 2011, all applicants who are (i) QIBs, (ii) Non-Institutional Investors or (iii) other applicants whose application amount exceeds Rs. 2 lakhs shall mandatorily make use of ASBA facility. All QIBs and Non-Institutional Investors, complying with the eligibility conditions of SEBI circular dated December 30, 2009, must mandatorily invest through the ASBA process. The Investors who are (i) not QIBs, (ii) not Non-Institutional Investors, or (iii) investors whose application amount is less than Rs. 2 lakhs can participate in the Issue either through the ASBA process or the non ASBA process. Notwithstanding anything contained hereinabove, all Renounees (including Renounees who are Individuals) shall apply in the Issue only through the non-ASBA process.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013 it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

Self-Certified Syndicate Banks

The list of banks which have been notified by SEBI to act as SCSBs for the ASBA Process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> in and/or such other website(s) as may be prescribed by the SEBI / Stock Exchange from time to time. For details on Designated Branches of SCSBs collecting the CAF, please refer the above mentioned SEBI link.

ASBA Investors who are eligible to apply under the ASBA Process

An ASBA Investor is an investor (Equity Shareholder) who is intending to subscribe the Equity Shares of our Company under this Issue applying through blocking of funds in a bank account maintained with SCSBs. The option of applying for Rights Equity Shares through the ASBA Process is available only to the Equity Shareholders on the Record Date.

All QIBs and Non-Institutional Investors and investors making an application for a value of more than Rs. 2,00,000 and complying with the above conditions, must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the above conditions may optionally apply through the ASBA process. Renounees are not eligible ASBA investors and must only apply for the Rights Equity Shares through the non ASBA process.

To qualify as ASBA Applicants, Eligible Equity Shareholders:

- are required to hold Rights Equity Shares in dematerialized form as on the Record Date and apply for:
 - (i) their Rights Entitlement; or (ii) their Rights Entitlement and Rights Equity Shares in addition to their Rights Entitlement in dematerialized form;
- should not have renounced their Right Entitlement in full or in part;
- should not have split the CAF and further renounced it;
- should not be Renounees;
- should apply through blocking of funds in bank accounts maintained with SCSBs; and
- are eligible under applicable securities laws to subscribe for the Rights Entitlement and the Rights Equity Shares in the Issue

CAF

The Registrar will dispatch the CAF to all Equity Shareholders as per their Rights Entitlement on the Record Date for the Issue. Those Eligible Equity Shareholders who wish to apply through the ASBA payment mechanism will have to select for this mechanism in Part A of the CAF and provide necessary details.

Eligible Equity Shareholders desiring to use the ASBA Process are required to submit their applications by selecting the ASBA Option in Part A of the CAF. Application in electronic mode will only be available with such SCSBs who provide such facility. The Equity Shareholder shall submit the CAF to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the ASBA Account.

More than one ASBA Investor may apply using the same ASBA Account, provided that SCSBs will not accept a total of more than five CAFs with respect to any single ASBA Account as provided for under the SEBI circular dated December 30, 2009.

Acceptance of the Issue

You may accept the Issue and apply for the Rights Equity Shares either in full or in part, by filling Part A of the respective CAFs sent by the Registrar, selecting the ASBA process option in Part A of the CAF and submit the same to the SCSB before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors of our Company in this regard.

Mode of payment under ASBA process

The ASBA Investor applying under the ASBA Process agrees to block the entire amount payable on application with the submission of the CAF, by authorising the SCSB to block an amount, equivalent to the amount payable on application, in a bank account maintained with the SCSB.

After verifying that sufficient funds are available in the bank account details of which are provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions from the Registrar. Upon receipt of intimation from the Registrar, the SCSBs shall transfer such amount as per the Registrar’s instruction from the bank account with the SCSB mentioned by the Equity Shareholder in the CAF. This amount will be transferred in terms of the SEBI Regulations, into the separate bank account maintained by our Company as per the provisions of section 40(3) of the Companies Act. The balance amount remaining after the finalisation of the basis of Allotment shall be either unblocked by the SCSBs or refunded to the Investors by the Registrar on the basis of the instructions issued in this regard by the Registrar to the Issue and the Lead Manager to the respective SCSB.

The Investor applying under the ASBA Process would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the CAF.

The SCSB may reject the application at the time of acceptance of CAF if the bank account with the SCSB details of which have been provided by the Equity Shareholder in the CAF does not have sufficient funds equivalent to the amount payable on application mentioned in the CAF. Subsequent to the acceptance of the application by the SCSB, our Company would have a right to reject the application only on technical grounds.

Options available to the ASBA Investors applying under the ASBA Process

The summary of options available to the ASBA Investors is presented below. You may exercise any of the following options with regard to the Rights Equity Shares, using the respective CAFs received from Registrar:

Option Available	Action Required
Accept whole or part of your Rights Entitlement without renouncing the balance	Fill in and sign Part A of the CAF (<i>All joint holders must sign</i>)
Accept your Rights Entitlement in full and apply for additional Equity Shares	Fill in and sign Part A of the CAF including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares (<i>All joint holders must sign</i>)

The ASBA Investors applying under the ASBA Process will need to select the ASBA option process in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the SCSBs with the relevant details required under the ASBA process option and the SCSBs block the requisite amount, then that CAFs would be treated as if the Equity Shareholder have selected to apply through the ASBA process option.

Please note that Equity Shareholders being QIBs and Non-Institutional Investors can participate in this Issue only through the ASBA process. Retail Individual Investors whose application amounts do not exceed Rs. 2,00,000 can participate in this Issue either through the ASBA process or the non ASBA process. Renounees are not eligible ASBA investors and must only apply for the Rights Equity Shares through the non ASBA process

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above the number of Rights Equity Shares that you are entitled to, provided that you are eligible to apply for Rights Equity Shares under applicable law and you have applied for all the Rights Equity Shares (as the case may be) offered without renouncing them in whole or in part in favour of any other person(s). Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment in consultation with the Designated Stock Exchange Applications for additional Rights Equity Shares shall be considered and Allotment shall be made at the sole discretion of the Board, in consultation with the Designated Stock Exchange and in the manner prescribed under “*Terms of the Issue - Basis of Allotment*” on page 311.

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

Renunciation under the ASBA Process

ASBA Investors can neither be Renouncees nor can renounce their Rights Entitlement.

Application on Plain Paper - ASBA

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

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

- Name of Issuer, being Arrow Greentech Limited;
- Name and address of the Equity Shareholder including joint holders;
- Registered Folio Number/DP and Client ID no.;
- Number of Equity Shares held as on Record Date;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for;
- Total amount to be blocked at the rate of Rs. 36 per Rights Equity Share;

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- Except for applications on behalf of the Central or State Government and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
 - Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
 - In case of non-resident investors, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
 - Signature of the Shareholders to appear in the same sequence and order as they appear in our records or depositories records; and
 - Additionally, all such applicants are deemed to have accepted the following:

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

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

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

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

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

Investors are requested to note that CAF or plain paper application with only foreign addresses is liable to be rejected on technical grounds. The CAF or plain paper application should contain the Indian address also if foreign address is mentioned.

The plain paper application format will be available on the website of the Registrar to the Issue at www.linkintime.co.in.

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilise the original CAF for any purpose including renunciation even if it is received subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications. We shall refund such application amount to the Investor without any interest thereon.

Allotment of Equity Shares in Dematerialised Form only

The Allotment of Equity Shares will be in dematerialized form only. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. *Please refer risk factors on page 20 of this letter of offer.*

Issuance of Intimation Letters

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Equity Shares in this Issue, along with:

- The number of Rights Equity Shares to be allotted against each successful ASBA Application;
- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

General instructions for Equity Shareholders applying under the ASBA Process:

- a. Please read the instructions printed on the CAF carefully.
- b. Application should be made on the printed CAF only and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer are liable to be rejected. The CAF must be filled in English.
- c. ASBA Applicants are required to select this mechanism in Part A of the CAF and provide necessary details, including details of the ASBA Account, authorising the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the CAF, and including the signature of the ASBA Account holder if the ASBA Account holder is different from the Applicant.
- d. The CAF/plain paper application in the ASBA Process should be submitted at a Designated Branch of the SCSB and whose bank account details are provided in the CAF and not to the Banker to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to our Company or Registrar or Lead Manager to the Issue.
- e. All applicants, and in the case of application in joint names, each of the joint applicants, should mention his/her PAN number allotted under the Income-Tax Act, 1961, irrespective of the amount of the application. Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, CAFs without PAN will be considered incomplete and are liable

to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended credit” and no allotment and credit of Equity Shares pursuant to the Issue shall be made into the accounts of such Investors.

- f. All payments will be made by blocking the amount in the bank account maintained with the SCSB. Cash payment or payment by cheque or demand draft or pay order is not acceptable. In case payment is affected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
- g. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Equity Shareholders must sign the CAF as per the specimen signature recorded with our Company/or Depositories.
- h. In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company. In case of joint applicants, reference, if any, will be made in the first applicant’s name and all communication will be addressed to the first applicant.
- i. All communication in connection with application for the Rights Equity Shares, including any change in address of the Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole applicant Equity Shareholder, folio numbers and CAF number.
- j. Only persons outside the United States and other restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Equity Shares under applicable securities laws and not Renounees(s) are eligible to participate.
- k. ASBA Investors who intend to subscribe the Rights Equity Shares of our Company under this Issue shall be eligible to participate under the ASBA Process.
- l. All Investors (apart from Retail Individual Investors) having bank accounts with SCSBs that are providing ASBA in cities/centres where such Investors are located, are mandatorily required to make use of the ASBA facility. Otherwise, applications of such Investors are liable for rejection. All Investors are encouraged to make use of the ASBA facility wherever such facility is available.
- m. In case of non - receipt of CAF, application can be made on plain paper mentioning all necessary details as mentioned under the heading “Application on Plain Paper - ASBA” on page 292.
- n. In terms of SEBI circulars dated September 13, 2012 and January 2, 2013, SCSBs should ensure that for making applications on own account using ASBA facility, they should have a separate account in own name with any other SEBI registered SCSBs. Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.
- o. Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all applicants who are QIBs, Non-Institutional Investors or are applying in the Issue for Equity Shares for an amount exceeding Rs. 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 Rs. 2 lakhs subject to their fulfilling the eligibility conditions to be an ASBA Investor.

p. Only the person or persons to whom the Equity Shares have been offered and not renounee(s) shall be eligible to participate under the ASBA process.

q. Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

Do's:

- Ensure that the ASBA Process option is selected in the CAF and necessary details are filled in.
- Ensure that you submit your application in physical mode only. Electronic mode is only available with certain SCSBs and not all SCSBs and you should ensure that your SCSB offers such facility to you.
- Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be allotted in the dematerialised form only.
- Ensure that your Indian address is available to our Company and the Registrar, in case you hold equity shares in physical form or the depository participant, in case you hold equity shares in dematerialised form;
- Ensure that the CAFs are submitted at the SCSBs and details of the correct bank account have been provided in the CAF.
- Ensure that there are sufficient funds (equal to [number of Equity Shares as the case may be applied for] X [Issue Price of Equity Shares, as the case may be]) available in the bank account maintained with the SCSB mentioned in the CAF before submitting the CAF to the respective Designated Branch of the SCSB.
- Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF, in the bank account maintained with the respective SCSB, of which details are provided in the CAF and have signed the same.
- Ensure that you receive an acknowledgement from the SCSB for your submission of the CAF in physical form.
- Except for CAFs submitted on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, each applicant should mention their PAN allotted under the I. T. Act.
- Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.
- Ensure that the Demographic Details are updated, true and correct, in all respects.
- Ensure that the account holder in whose bank account the funds are to be blocked has signed authorising such funds to be blocked.
- Investors are requested to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under applicable law.

Don'ts:

- Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction.

- Do not apply on duplicate CAF after you have submitted a CAF to a Designated Branch of the SCSB.
- Do not pay the amount payable on application in cash, by money order or by postal order.
- Do not send your physical CAFs to the Lead Manager to Issue/Registrar/Collecting Banks (assuming that such Collecting Bank is not a SCSB)/to a branch of the SCSB which is not a Designated Branch of the SCSB/Company; instead submit the same to a Designated Branch of the SCSB only.
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- Do not apply if the ASBA account has been used for five applicants.
- Do not apply through the ASBA Process if you are not an ASBA Investor.
- Do not instruct your respective banks to release the funds blocked under the ASBA Process.

Grounds for Technical Rejection for ASBA Investors

- In addition to the grounds listed under “Grounds for Technical Rejection for non-ASBA Investors” on page 300, applications under the ABSA Process are liable to be rejected on the following grounds:
- Application for Allotment of Rights Entitlements or additional shares in physical form.
- DP ID and Client ID mentioned in CAF not matching with the DP ID and Client ID records available with the Registrar.
- Sending CAF to a Lead Manager/Registrar/Collecting Bank (assuming that such Collecting Bank is not a SCSB)/to a branch of a SCSB which is not a Designated Branch of the SCSB/Company.
- Renouncee applying under the ASBA Process.
- Insufficient funds are available with the SCSB for blocking the amount.
- Funds in the bank account with the SCSB whose details are mentioned in the CAF having been frozen pursuant to regulatory orders.
- Account holder not signing the CAF or declaration mentioned therein.
- CAFs that do not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in restricted jurisdictions and is authorised to acquire the rights and the securities in compliance with all applicable laws and regulations.
- CAFs which have evidence of being executed in/dispatched from restricted jurisdiction.
- Applications by persons not competent to contract under the Contract Act, 1872, as amended, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- Submission of more than five CAFs per ASBA Account.
- Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application.

- Submitting the GIR instead of the PAN.
- An Equity Shareholder, who is not complying with any or all of the conditions for being an ASBA Investor and is not a renouncer or a Renouncee not applying through the ASBA process applying through the ASBA process.
- Applications by SCSBs not complying with the SEBI circulars dated September 13, 2012 and January 2, 2013, whereby SCSBs need to ensure that for making applications on own account using ASBA facility, they should have a separate account in own name with any other SEBI registered SCSBs. Such account should be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.
- If an Investor is (a) debarred by SEBI and/or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlement.

Depository account and bank details for Equity Shareholders applying under the ASBA Process

IT IS MANDATORY FOR ALL THE ELIGIBLE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE RIGHTS EQUITY SHARES ARE HELD BY THE EQUITY SHAREHOLDER ON THE RECORD DATE. ALL EQUITY SHARE HOLDERS APPLYING UNDER THE ASBA PROCESS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE CAF. EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS MUST ENSURE THAT THE NAME GIVEN IN THE CAF IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE CAF IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE CAF OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Equity Shareholders applying under the ASBA Process should note that on the basis of name of these Equity Shareholders, Depository Participant's name and identification number and beneficiary account number provided by them in the CAF, the Registrar to the Issue will obtain from the Depository demographic details of these Equity Shareholders such as address, bank account details for printing on refund orders and occupation ("Demographic Details"). Hence, Equity Shareholders applying under the ASBA Process should carefully fill in their Depository Account details in the CAF.

These Demographic Details would be used for all correspondence with such Equity Shareholders including mailing of the letters intimating unblock of bank account of the respective Equity Shareholder. The Demographic Details given by the Equity Shareholders in the CAF would not be used for any other purposes by the Registrar. Hence, Equity Shareholders are advised to update their Demographic Details as provided to their Depository Participants.

By signing the CAFs, the Equity Shareholders applying under the ASBA Process would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Letters intimating Allotment and unblocking or refund (if any) would be mailed at the address of the Equity Shareholder applying under the ASBA Process as per the Demographic Details received from the Depositories. Refunds, if any, will be made directly to the bank account linked to the DP ID. Equity Shareholders applying under the ASBA Process may note that delivery of letters intimating unblocking of bank account may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Equity Shareholder in the CAF would be used only to ensure dispatch of letters intimating unblocking of the ASBA Accounts.

Note that any such delay shall be at the sole risk of the Equity Shareholders applying under the ASBA Process and none of our Company, the SCSBs or the Lead Manager shall be liable to compensate the Equity Shareholder applying under the ASBA Process for any losses caused due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, (a) names of the Equity Shareholders (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such applications are liable to be rejected.

Issue Schedule

Issue Opening Date	February 28, 2020
Last date for receiving requests for Split Application Forms	March 06, 2020
Issue Closing Date	March 13, 2020
Finalisation of basis of allotment with the Designated Stock Exchange	On or about March 23, 2020
Date of Allotment	On or about March 24, 2020
Credit of Rights Equity Shares to demat accounts of Allottees	On or about March 25, 2020
Commencement of trading of Rights Equity Shares on the Stock Exchange [□]	On or about March 27, 2020

Investors are advised to ensure that the CAFs are submitted on or before the Issue Closing Date. Our Company, the Lead Manager and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of CAFs or on before the Issue Closing Date.

The Board of Directors or a duly authorised committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not be kept open in excess of 30 days from the Issue Opening Date.

Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Articles of Association of our Company and the approval of the Designated Stock Exchange, the Board will proceed to allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/have applied for Rights Equity Shares renounced in their favour, in full or in part.
- (b) Allotment to the Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of the Issue and have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there is an under-subscribed portion after making full Allotment in (a) above. The Allotment of such Rights Equity Shares will be at the sole discretion of the Board or any committee thereof in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- (c) Fractional entitlement if any will be rounded off to the next higher integer and the share required for the same will be adjusted from one of the promoter's entitlement.

- (d) Allotment to Renounees who having applied for all the Rights Equity Shares renounced in their favour and have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of the Board or any committee thereof in consultation with the Designated Stock Exchange, as a part of the Issue and not preferential Allotment.
- (e) Allotment to any other person as the Board may in its absolute discretion deem fit provided there is surplus available after making full Allotment under (a), (b) and (c) above, and the decision of the Board in this regard will be final and binding.
- (f) After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Rights Equity Shares in the Issue, alongwith:

- The amount to be transferred from the (a) ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

Underwriting

The Issue is not underwritten.

Allotment Advices / Refund Orders

Our Company will issue and dispatch Allotment advice /demat credit and/or letters of regret along with refund order or credit the allotted Rights Equity Shares to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

Investors residing at centers where clearing houses are managed by the RBI will get refunds through National Automated Clearing House (“NACH”) except where Investors have not provided the details required to send electronic refunds or where the investors are otherwise disclosed as applicable or eligible to get refunds through direct credit and real-time gross settlement (“RTGS”).

Since investors have only option to receive their Right Equity Shares in dematerialised form using electronic credit under the depository system, advice regarding their credit of the Rights Equity Shares shall be given separately. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

The letter of allotment / refund order would be sent by registered post/speed post to the sole/first Investors registered address. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favour of the sole/first Investor. Adequate funds would be made available to the Registrar to the Issue for this purpose.

In the case of non-resident Shareholders or Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF. Subject to the applicable laws and other approvals, in case of Non-resident Shareholders or Investors who remit their application money through Indian Rupee demand drafts purchased from abroad, refund and/or payment of dividend or interest and any other disbursement, shall be credited to such accounts and will be made after deducting bank charges or commission in US Dollars, at the rate of exchange prevailing at such time. Our Company will not be responsible for any loss on account of exchange rate fluctuations for conversion of the Indian Rupee amount into US Dollars.

Payment of Refund

Mode of making refunds

The payment of refund, if any, would be done through any of the following modes:

1) NACH -National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

2) NEFT - Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the registrar to our Company or with the depository participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

3) Direct Credit -Investors having bank accounts with the Banker to the Issue shall be eligible to receive funds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

4) RTGS -If the refund amount exceeds Rs.2 lakhs, the investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the CAF. In the event the same is not provided, refund shall be made through ECS or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

5) For all other Investors, the refund orders will be dispatched through speed post/registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.

6) Credit of refunds to Investors in any other electronic manner permissible under the banking laws, which are in force, and are permitted by the SEBI from time to time.

Refund payment to Non- resident

Where applications are accompanied by Indian rupee drafts purchased abroad and payable at Mumbai, refunds will be made in the Indian Rupees based on the U.S. dollars equivalent which ought to be refunded. Indian Rupees will be converted into U.S. dollars at the rate of exchange, which is prevailing on the date of refund. The exchange rate risk on such refunds shall be borne by the concerned applicant and our Company shall not bear any part of the risk.

Where the applications made are accompanied by NRE/FCNR/NRO cheques, refunds will be credited to NRE/FCNR/NRO accounts respectively, on which such cheques were drawn and details of which were provided in the CAF.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders/refund warrants which can then be deposited only in the account specified. We will in no way be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice or Demat Credit

Allotment advice or demat credit or letters of regret will be dispatched to the registered address of the first named Investor or respective beneficiary accounts will be credited within 15 days, from the Issue Closing Date.

The Allotment pursuant to the Issue will only be made to the Eligible Equity Shareholders holding Equity Shares in dematerialized form. Please refer risk factors on page 20 of this letter of offer.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Rights Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT / CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH ASBA INVESTOR ON THE RECORD DATE.

Investors shall be allotted the Rights Equity Shares in dematerialised (electronic) form only. Our Company has signed a tripartite agreement with NSDL on 7th April, 2004 and with CDSL on 25th March, 2004 which enables the Investors to hold and trade Equity Shares in a dematerialised form, instead of holding the Equity Shares in the form of physical certificates. The ISIN number of the Equity Shares is INE570D01018.

In this Issue, the allottees will receive their Rights Equity Shares in the form of an electronic credit to their beneficiary account as given in the Application, after verification with a depository participant. Investor will have to give the relevant particulars for this purpose in the appropriate place in the CAF.

Allotment advice, refund order (if any) would be sent directly to the Investor by the Registrar to the Issue but the Investor's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Investor's depository account.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALISED FORM.

The procedure for availing the facility for Allotment of the Rights Equity Shares in this Issue in the electronic form is as under:

- Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. *Those Equity Shareholders who have already opened such beneficiary account(s) need not adhere to this step.*

- For Equity Shareholders already holding Equity Shares in dematerialised form as on the Record Date, the beneficial account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive their Equity Shares by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF. It may be noted that the Allotment of Equity Shares arising out of this Issue may be made in dematerialised form even if the original Equity Shares are not dematerialised. Nonetheless, it should be ensured that the depository account is in the name(s) of the Equity Shareholders and the names are in the same order as in our records.

- The responsibility for correctness of information (including Investor's age and other details) filled in the CAF visà-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in CAF should be the same as registered with the Investor's depository participant.

- If incomplete/incorrect beneficiary account details are given in the CAF, then such shares will be credited to a demat suspense a/c which shall be opened by our Company as specified in the SEBI circular no. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009.

- The Rights Equity Shares allotted to applicants opting for issue in dematerialised form, would be directly credited to the beneficiary account as given in the CAF after verification. Allotment advice, refund order (if any) would be sent directly to the applicant by the Registrar to the Issue but the applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the applicant's depository account. It may be noted that Rights Equity Shares in electronic form can be traded only on the Stock Exchange having electronic connectivity with NSDL or CDSL.

Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the application is liable to be rejected.

- Non-transferable allotment advice/refund orders will be directly sent to the Investors by the Registrar.

- Dividend or other benefits with respect to the Rights Shares held in dematerialised form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Investment by FPIs and NRIs

On January 7, 2014, the SEBI (Foreign Portfolio Investors) Regulations, 2014 (“SEBI FPI Regulations”) were notified by SEBI pursuant to which FPIs, its sub-accounts and QFIs categories of investors were merged to form a new category called ‘Foreign Portfolio Investors’.

Under the SEBI FPI Regulations, purchase of equity shares by an FPI or an investor group should be below 10% of the total issued capital of an Indian company.

Under the FEMA 20, 2017, no single FPI can hold more than 10% of the paid up capital of an Indian company and the total equity share holding of all FPIs put together in a company is subject to a cap of 24% of the paid up capital of the company. The aggregate limit of 24% can be increased up to the applicable sectoral cap by passing a resolution by the board of the directors followed by passing a special resolution to that effect by the shareholders of the company.

The investments by NRIs are governed by the Regulation 5(3) and Regulation 3(4) of the FEMA 20, 2017.

Under the FPI Regulations and subject to compliance with all applicable Indian laws, FPIs may issue, subscribe or otherwise deal in offshore derivative instruments (defined under the 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 security), directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms and (iii) shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by residents Indian or NRIs.

Further, Category II FPIs under the SEBI FPI Regulations which are unregulated broad based funds and Category IIIFPIs under the SEBI FPI Regulations shall not issue, subscribe or otherwise deal in such offshore derivative instruments directly or indirectly. In addition, FPIs are required to ensure that further issue or transfer of any offshore derivative instruments by or on behalf of it is made only to person regulated by an appropriate foreign regulatory authority.

Investment by AIFs, FVCIs and VCFs

The SEBI (Venture Capital Funds) Regulations, 1996, as amended (“SEBI VCF Regulations”) and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended (“SEBI FVCI Regulations”) prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 (“SEBI AIF Regulations”) prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue.

Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations.

Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Applications will not be accepted from FPIs in restricted jurisdictions

FPIs which are QIBs, Non-Institutional Investors or whose application amount exceeds Rs. 2 lakhs can participate in the Rights Issue only through the ASBA process. Further, FPIs which are QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed Rs.2 lakhs.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with the SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate 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.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name shall be liable for action under section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least Rs. 10.00 lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than Rs. 10.00 lakhs or 1.00% of the turnover of the Company, whichever is lower; and(ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs. 20.00 lakhs or with both.

Payment by stock invest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest Scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Disposal of application and application money

No acknowledgment will be issued for the application moneys received by our Company. However, the Banker to the Issue/Registrar to the Issue/SCSBs receiving the CAF will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF.

The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the application money received will be refunded. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on Rights Equity Shares allotted, will be refunded to the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the CAF carefully.

Utilisation of Issue Proceeds

The Board of Directors declares that:

- a. All the monies received out of the Issue shall be transferred to a separate bank account.
- b. Details of the all monies utilised out of the Issue, referred to in sub-item (a), shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised.
- c. Details of all unutilised monies out of the Issue, if any, referred to in sub-item (a), shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.
- d. Our Company shall utilise the funds collected in this Issue only after the approval of the Basis of Allotment is finalised.

Undertakings by our Company

Our Company undertakes the following:

- a. The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- b. All steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are to be listed will be taken within seven working days of finalisation of basis of allotment.
- c. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in this Letter of Offer shall be made available to the Registrar to the Issue by our Company.
- d. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- e. Adequate arrangements shall be made to collect all ASBA applications and to consider them similar to non-ASBA applications while finalising the Basis of Allotment.
- f. The refund orders to the non-resident Indians shall be dispatched within the specified time.
- g. No further issue of securities affecting equity capital of our Company shall be made till the securities issued/offered through this Letter of Offer Issue are listed or till the application monies are refunded on account of non-listing, under-subscription etc.
- h. At any given time, there shall be only one denomination of Equity Shares of our Company.
- i. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, we shall refund the entire subscription amount received within 15 days from the Issue Closing Date. In the event that there is a delay

of making refunds beyond such period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rates prescribed under applicable laws.

Important

-□ Please read this Letter of Offer and the Letter of Offer carefully before taking any action. The instructions contained in the accompanying CAF are an integral part of the conditions of this Letter of Offer and the Letter of Offer and must be carefully followed; otherwise the application is liable to be rejected.

-□ All enquiries in connection with this Letter of Offer or the Letter of Offer or accompanying CAF and requests for SAFs must be addressed (quoting the Registered Folio Number/DP and Client ID number, the CAF number and the name of the first Equity Shareholder as mentioned on the CAF and superscribed “**Arrow Greentech Limited-Rights Issue**” on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai - 400 083
Maharashtra, India
Telephone: +91 22 4918 6200
Facsimile: +91 22 4918 6195
Email: arrowgreentech.rights@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Sumeet Deshpande
SEBI Registration No: INR000004058

It is to be specifically noted that the Issue of Rights Equity Shares is subject to the risk factors mentioned in section titled “*Risk Factors*” on page 20.

The Issue will remain open for minimum 15 days. However, the Board will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

SECTION IX - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts referred to in para (A) have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer.

Copies of the above mentioned contracts and also the documents for inspection referred to in para (B), may be inspected at the Registered Office and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Letter of Offer until the closure of the subscription list.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A) MATERIAL CONTRACTS

1. Issue Agreement dated December 05, 2019 between our Company and Navigant Corporate Advisors Limited, Lead Manager to the Issue;
2. Agreement dated December 04, 2019 between our Company and M/s Link Intime India Private Limited, Registrar to the Issue.

(B) DOCUMENTS FOR INSPECTION

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated October 30, 1992.
3. Fresh certificate of incorporation dated February 26, 2016 pursuant to the change of name from "Arrow Coated Products Limited" to "Arrow Greentech Limited".
4. Copy of the resolution of the Board of Directors under Section 62 of the Companies Act passed in its meeting dated September 07, 2019 authorizing the Issue.
5. Resolution passed by the Capital Raising Committee dated February 12, 2020, approving this Letter of Offer.
6. Resolution passed by the Capital Raising Committee dated February 03, 2020 determining the Record date.
7. Consents of the Directors, Company Secretary and Compliance Officer, Legal Advisors to the Issue, Statutory Auditor, Lead Manager to the Issue and Registrar to the Issue to include their names in the Offer Document to act in their respective capacities;
8. Annual reports of our Company for the financial years ended March 31, 2015, 2016, 2017, 2018 and 2019;

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9. Letter of offer dated January 30, 2012, in respect of right issue of 53,50,198 Equity Shares of Rs. 10 each.
 10. Unaudited financial results for the Six months ended September 30, 2019.
 11. A statement of tax benefits dated January 06, 2020 received from M/s. Haribhakti & Co. LLP, Chartered Accountants, Statutory Auditor regarding tax benefits available to our Company and its shareholders;
 12. Certificate dated January 10, 2020 from M/s. J.A. Rajani & Co, Chartered Accountants, regarding “Sources & deployment of funds”;
 13. Tripartite Agreement between our Company, National Securities Depository Ltd. (NSDL) and Registrar to the Issue;
 14. Tripartite Agreement between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;
 15. Due Diligence Certificate dated February 12, 2020 by Navigant Corporate Advisors Limited, Lead Manager to the Issue;
 16. In-principle listing approval(s) dated February 03, 2020 from BSE Limited;
 17. In-principle listing approval(s) dated February 03, 2020 from National Stock Exchange of India Limited;

Any of the contracts or documents mentioned in the Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify that no statement made in the Offer Document contravenes any of the provisions of the Companies Act, the SEBI Act and the rules made thereunder or regulations issued thereunder as the case may be. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, the Government and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in the Offer Document are true and correct.

Name	Signature
Mr. Shilpan Patel Chairman cum Managing Director DIN: 00341068	Sd/-
Mr. Neil Patel Joint Managing Director DIN: 00607101	Sd/-
Mr. Haresh Mehta Independent Director DIN: 00376589	Sd/-
Mr. Harish Mishra Independent Director DIN: 05301127	Sd/-
Mrs. Aradhana Singh Independent Director DIN: 08141485	Sd/-
Mr. Dinesh Modi Independent Director DIN: 00004556	Sd/-
Mr. Dinkarray D Trivedi Independent Director DIN: 00380306	Sd/-
Mr. Hitesh Punglia Chief Financial Officer PAN: AMCPP6390A	Sd/-
Mrs. Poonam Bansal Company Secretary and Compliance officer PAN: ACO PH7495Q	Sd/-

Place: Mumbai, Maharashtra

Date: February 12, 2020