



Draft Prospectus
 Dated: January 18, 2016
 Please read Section 32 of Companies Act, 2013
Fixed Price Issue

AGI HOSPITALITIES LIMITED

CIN: U55101PB2012PLC036475

Our Company was incorporated as AGI Hospitalities Pvt. Ltd. on July 24, 2012 under the Companies Act, 1956, with the Registrar of Companies, Punjab and Chandigarh bearing Registration Number - 036475. The status of our Company was changed to a public limited company and the name of our Company was changed to AGI Hospitalities Ltd. by a special resolution passed on October 10, 2015. A fresh certificate of incorporation consequent to the change of name was granted to our Company on November 26, 2015, by the Registrar of Companies, Punjab and Chandigarh, bearing CIN U55101PB2012PLC036475. For further details, please see the chapter "History and Certain Corporate Matters" on page no. 91 of this Draft Prospectus.

Registered Office: Ladowali Road, Opposite Circle Education Office, Jalandhar, Punjab- 144001
Tel No.: +91 – 181 - 5031900; **Telefax No.:** +91 – 181 – 5031901; **Email:** info@agiinn.com; **Website:** www.hotelagiinn.com

Contact Person: [●], Company Secretary and Compliance Officer.

Our Promoters: Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur

THE ISSUE

PUBLIC ISSUE OF 24,00,000 EQUITY SHARES OF ₹ 10/- EACH ("EQUITY SHARES") OF AGI HOSPITALITIES LIMITED ("AHL" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 40/- PER SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ 960.00 LAKHS ("THE ISSUE"), OF WHICH 1,26,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKERS TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 22,74,000 EQUITY SHARES OF ₹ 10/- EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.62% AND 29.02%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.

For further details see "Issue Related Information" beginning on page no. 166 of this Draft Prospectus.

All potential investors may participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page no. 173 of this Draft Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Company, there has been no formal market for the securities of the company. The face value of the shares is ₹ 10/- per Equity Share and the Issue Price is 4.00 times of the face value. The Issue Price (as determined by Company in consultation with the Lead Manager) as stated under the paragraph on "Basis for Issue Price" on page no. 52 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision investors must rely on their own examination of our Company and the Issue including the risks involved. The securities have not been recommended or approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this document. **Specific attention of the Investors is invited to the statement of Risk Factors given on page no. 9 of this Draft Prospectus under the Section "Risk Factors".**

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE"). In terms of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended, we are not required to obtain any in principle listing approval for the shares being offered in this Issue. However, our Company has received an in-principle approval letter dated [●] from BSE for using its name in the Offer Document for listing our shares on the SME Platform of the BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").

LEAD MANAGER

REGISTRAR TO THE ISSUE

	
ARYAMAN FINANCIAL SERVICES LIMITED 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001 Tel No.: +91 – 22 – 2261 8264 / 8635 Fax No.: +91 – 22 – 2263 0434 Email: info@afsl.co.in Web: www.afsl.co.in Contact Person: Mr. Shreyas Shah / Mr. Vimal Maniyar SEBI Registration No. INM000011344	BIGSHARE SERVICES PVT. LTD. E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai - 400 072. Tel: +91 – 22 – 40430200; Fax: +91 – 22 – 28475207 Email: ipo@bigshareonline.com; Website: www.bigshareonline.com Investor Grievance Email: investor@bigshareonline.com; Contact Person: Mr. Ashok Shetty SEBI Registration No.: MB / INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

Table of Contents

SECTION I – GENERAL	1
DEFINITIONS AND ABBREVIATIONS.....	1
CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA.....	7
FORWARD-LOOKING STATEMENTS.....	8
SECTION II - RISK FACTORS	9
SECTION III: INTRODUCTION	23
SUMMARY OF INDUSTRY.....	23
SUMMARY OF OUR BUSINESS.....	26
SUMMARY OF OUR FINANCIALS.....	28
THE ISSUE.....	31
GENERAL INFORMATION.....	32
CAPITAL STRUCTURE.....	38
SECTION IV – PARTICULARS OF THE ISSUE	47
OBJECTS OF THE ISSUE.....	47
BASIS FOR ISSUE PRICE.....	52
BASIC TERMS OF ISSUE.....	54
STATEMENT OF POSSIBLE TAX BENEFITS.....	55
SECTION V – ABOUT OUR COMPANY	63
INDUSTRY OVERVIEW.....	63
OUR BUSINESS.....	70
KEY INDUSTRY REGULATIONS AND POLICIES.....	81
HISTORY AND CERTAIN CORPORATE MATTERS.....	91
OUR MANAGEMENT.....	93
OUR PROMOTER, PROMOTER GROUP AND GROUP COMPANIES.....	104
CURRENCY, UNITS OF PRESENTATION AND EXCHANGE RATES.....	111
DIVIDEND POLICY.....	112
SECTION VI - FINANCIAL INFORMATION	113
FINANCIAL STATEMENTS.....	113
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.....	130
FINANCIAL INDEBTEDNESS.....	139
SECTION VII - LEGAL AND OTHER INFORMATION	141
GOVERNMENT AND OTHER STATUTORY APPROVALS.....	141
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS.....	147
SECTION VIII - OTHER REGULATORY AND STATUTORY DISCLOSURES	154
SECTION IX – ISSUE RELATED INFORMATION	166
TERMS OF THE ISSUE.....	166
ISSUE STRUCTURE.....	171
ISSUE PROCEDURE.....	173
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	220
SECTION X – MAIN PROVISIONS OF ARTICLE OF ASSOCIATION	221
SECTION XI – OTHER INFORMATION	236
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION.....	236
DECLARATION.....	237

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
AGI Hospitalities Limited / AHL / The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to AGI Hospitalities Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the Punjab

Company related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of AGI Hospitalities Limited
Auditor of the Company (Statutory Auditor)	M/s R. S. Kalra and Associates, Chartered Accountants, having their office 32-R Model Town, Jalandhar.
Audit Committee	The Audit Committee constituted by our Board of Directors on January 11, 2016.
Board of Directors / Board	The Board of Directors of AGI Hospitalities Limited, including all duly constituted Committees thereof.
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of AGI Hospitalities Limited, unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
Group Companies	All companies or ventures which would be termed as Group Companies as per the definition given in Schedule VIII of SEBI ICDR Regulations, 2009. For details of Group Companies of the Company, please see the chapter titled “ <i>Our Promoter, Promoter Group and Group Companies</i> ” beginning on page no. 104 of this Draft Prospectus
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
Peer Review Auditor (Peer Review Certified)	The peer review auditor of our company, being M/s R. A. Marwaha and Co., Chartered Accountants, having their office at 464-L, Model Town, Jalandhar
MOA / Memorandum / Memorandum of Association	Memorandum of Association of AGI Hospitalities Limited
Non Residents	A person resident outside India, as defined under FEMA.
NRI / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter / Core Promoter(s)	Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur
Promoter Group	Promoter Group consist of Individuals, HUFs, Companies, Firms, etc. as mentioned in the chapter titled “ <i>Our Promoter, Promoter Group and Group Companies</i> ” beginning

Term	Description
	on page no. 104 of this Draft Prospectus.
Registered Office	The Registered Office of our company which is located at: Ladowali Road, Opposite Circle Education Office, Jalandhar, Punjab- 144001.
RoC	Registrar of Companies, Punjab and Chandigarh.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and 2011, as amended from time to time depending on the context of the matter being referred to.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited.

Issue related Terms

Term	Description
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	The successful applicant to whom the Equity Shares are being / have been issued.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for QIBs (except Anchor Investors) and Non-Institutional Applicants participating in the Issue
ASBA Account	Account maintained by an ASBA Applicant with a SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Applicant(s)	Prospective investors in this Issue who apply through the ASBA process. Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, Non- Retail Investors i.e. QIBs and Non-Institutional Investors participating in this Issue are required to mandatorily use the ASBA facility to submit their Applications.
Banker(s) to the Company	[•]
Banker(s) to the Issue/ Escrow Collection Bank(s)	The banks which are Clearing Members and registered with SEBI as Banker to an issue with whom the Escrow Account(s) will be opened and in this case being [•] and [•]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “Issue Procedure” beginning on page no. 173 of this Draft Prospectus.
Business Day	Monday to Friday (except public holidays)
BSE	BSE Limited
Category III FPI	Investors including endowments, charitable societies, charitable trusts, foundations, corporate bodies, trust, individuals and family offices which are not eligible for registration under Category I and II under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Controlling Branches	Such Branches of the SCSBs which co-ordinate Bids by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996

Term	Description
Designated Branches	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the Board of Directors shall allot Equity Shares to successful Applicants in the Issue.
Designated Market Maker	Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited)
Designated Stock Exchange	SME Exchange of BSE Limited
Eligible NRIs	An NRI from such a jurisdiction outside India where it is not unlawful to make an offer or invitation under this Offer and in relation to whom the Draft Prospectus constitutes an invitation to Application on the basis of the terms thereof.
Equity Shares	Equity shares of our Company of ₹ 10 each
Escrow Account	Account opened/to be opened with the Escrow Collection Bank(s) and in whose favour the Applicant (excluding the ASBA Applicant) will issue cheques or drafts in respect of the Application Amount when submitting an Application
Escrow Agreement	Agreement entered / to be entered into amongst the Company, Lead Manager, the Registrar, the Escrow Collection Bank(s) for collection of the Application Amounts and for remitting refunds (if any) of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and condition thereof
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Bankers to the Issue at which bank(s) the Escrow Account of the Company will be opened
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Issue / Issue Size / Public Issue	The Public Issue of 24,00,000 Equity Shares of ₹ 10 each at ₹ 40 (including share premium of ₹ 30) per Equity Share aggregating to ₹ 960.00 lakhs AGI Hospitalityes Limited
Issue Closing date	The date on which the Issue closes for subscription being [●]
Issue Opening date	The date on which the Issue opens for subscription being [●]
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being ₹ 40.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 47 of this Draft Prospectus
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and the SME Platform of BSE.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
Non-Institutional Applicant	All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Net Issue	The Issue of 22,74,000 Equity Shares of ₹ 10 each at ₹ 40 (including share premium of ₹ 30) per Equity Share aggregating to ₹ 909.60 lakhs by AGI Hospitalityes Limited.
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet ‘know your client’ requirements prescribed by SEBI
Qualified Institutional Buyers / QIBs	Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs,

Term	Description
	VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹ 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions.
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount (excluding to the ASBA Applicants), if any, shall be made.
Refund Banker	The bank(s) which is/ are clearing members and registered with the SEBI as Bankers to the Issue, at which the Refund Accounts will be opened, in this case being [●].
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable.
Registrar/ Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Regulation / SEBI (ICDR) Regulations / Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (PFUTP) Regulations / PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003.
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended.
Self Certified Syndicate Bank(s) / SCSBs	A Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/pmd/scsb.pdf
SME Platform of BSE	The SME Platform of BSE for listing of equity shares issued under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	Aryaman Financial Services Limited and Aryaman Capital Markets Limited.
Underwriting Agreement	The Agreement among the Underwriters and our Company dated January 11, 2016..
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

Technical / Industry related Terms

Term	Description
ARR	Average Room Rental calculated by dividing the total room revenue by the number of rooms occupied
BSE	Bombay Stock Exchange
CAGR	Compounded Annual Growth Rate
DoT	Department of Tourism

Term	Description
D&B	Dun & Bradstreet
EME	Emerge Energy Services LP
F&B	Food and Beverage
FHRAI	Federation of Hotel & Restaurant Associations of India
GDP	Gross Domestic Product
IBEF	India Brand Equity Foundation
IJTIR	International Journal of Technology Innovations and Research
IPO	Initial Public Offer
KMP	Key Managerial Personnel
KW	Kilowatt
LED	Light-emitting Diode
MPR	Monetary Policy Report
Q1	Quarter One
Q2	Quarter Two
Q3	Quarter Three
Q4	Quarter Four
qoq	Quarter On Quarter
RBI	Reserve Bank of India
SME	Small and Medium-Sized Enterprises
WTTC	World Travel and Tourism Council
WTO	World Travel Organisation

Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AEs	Advanced Economies
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
CAD	Current Account Deficit
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FII(s)	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations provided that any FII who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations

Term	Description
FVCI	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI FVCI Regulations
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
IPO	Initial Public Offering
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Rs. or ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the Securities Act
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
Securities Act	U.S. Securities Act of 1933, as amended
Sec.	Section
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.

CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” contained in this Draft Prospectus are to the Republic of India. In this Draft Prospectus, our Company has presented numerical information in “lakhs” units. One lakhs represents 1,00,000.

Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our audited financial statements as on and for the Fiscal Years ended March 31, 2015, 2014, 2013, 2012 and 2011 and for Six months period ended September 30, 2015 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Draft Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Draft Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

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

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 9, 70 and 130 of this Draft Prospectus, respectively, and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

Currency, Units of Presentation and Exchange Rates

All references to “Rupees”, “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America.

This Draft Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

Definitions

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page no. 1 of this Draft Prospectus. In the Section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page no. 221 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

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

FORWARD-LOOKING STATEMENTS

All statements contained in this Draft Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

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

- ✓ Our ability to manage our growth effectively;
- ✓ Our ability to develop, maintain or enhance our brand recognition;
- ✓ Our ability to retain the services of our senior management, key managerial personnel and capable employees;
- ✓ Our ability to renew rents for our Properties used for business activities or conduct new rent arrangements on commercially acceptable terms;
- ✓ Our ability to adequately protect / obtain trademarks;
- ✓ Changes in consumer demand;
- ✓ Failure to successfully upgrade our products and service portfolio, from time to time; and
- ✓ Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 9, 70 and 130 of this Draft Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Draft Prospectus. Our Company, our Directors, the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange.

SECTION II - RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Draft Prospectus could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Draft Prospectus may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

Materiality

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

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

Note: The risk factors are disclosed as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section. In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" and elsewhere in this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the Financial Statements prepared in accordance with the Indian Accounting Standards.

Internal Risk Factors

1. ***There are certain legal proceedings and claims involving our Group Company, our Managing Director and Group Entities and the same are pending at different stages before the Judicial/Statutory authorities. Any rulings by such authorities against our Company, our Managing Director and Group Entity, may have an adverse material impact on their operations.***

Our Managing Director, Group Company and one of our Group Entities are involved in certain legal proceedings and claims, which are pending before the Judicial / Statutory authorities. A summary of the pending proceedings is set forth in the chapter titled "Outstanding Litigations and Material Developments" beginning on page no. 147 of this Prospectus.. The amounts claimed in these litigations have been disclosed to the extent ascertainable. Any developments in the proceedings or any rulings by such authorities against our Promoter/ Director, Group Company and one of our Group Entities may have an adverse material impact on our goodwill, results of operations and financial condition:

a. Litigations / Proceedings filed against our Promoter - Director

Sr. No.	Nature of Matter	No. of Matters	Amount (to the extent quantifiable) (₹ in lakhs)
1	Litigation involving Civil Laws	2	1.76

b. Litigations / Proceedings filed against our Group Company

Sr. No.	Nature of Matter	No. of Matters	Amount (to the extent quantifiable) (₹ in lakhs)
1	Other Pending Litigations	2	1.76

c. Litigations / Proceedings filed by our Group Company

Sr. No.	Nature of Matter	No. of Matters	Amount (to the extent quantifiable) (₹ in lakhs)
1	Litigation involving Indirect Tax Liabilities	2	N.A.

d. Litigations / Proceedings filed against our Group Entities

Sr. No.	Nature of Matter	No. of Matters	Amount (to the extent quantifiable) (₹ in lakhs)
1	Other Pending Litigations	1	0.68

For more information regarding litigations, please see the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page no. 147 of this Prospectus.

2. We require certain approvals, licenses, registrations and permits for our business, and the failure to obtain or renew them, as and when required, in a timely manner or at all may adversely affect our business and operations.

We require certain statutory and regulatory permits and approvals to operate our existing and proposed business. For more information on the status of our material statutory and regulatory permits, please refer to the Chapter titled “*Government and Other Statutory Approvals*” beginning on page no. 141 of this Draft Prospectus. We are also required to renew certain permits and approvals and obtain new permits if we increase the scope of our business. Certain approvals and sanctions that we do not have as on the date of this Draft Prospectus include inter-alia the following:

- i. Classification of hotel has been made by the Company under the Revised Guidelines for Classification/Reclassifications of Hotels dated December 16, 2014 bearing No. 8-TH-I (3)/2013 for which application bearing acknowledgement dated April 6, 2015 has been made.
- ii. Registration of word marks and logos of the Company under the Trade Marks Act, 1999 for which applications are yet to be made.
- iii. Registration under the Punjab Shops and Commercial Establishments Act, 1958 read with Punjab Shops and Commercial Establishments Rules, 1958 for which application is yet to be made.

In addition to the above, there are certain other approvals and licenses which we may need to obtain for our business as per the applicable laws. Further, certain approvals and licenses may need to be renewed by us due to our change in constitution from Pvt. to Public Limited. While we believe that we will be able to renew or obtain the required permits and approvals as and when required; there can be no assurance that the relevant authorities will issue any or all requisite permits or approvals in the timeframe anticipated by us, or at all. Failure by us to renew, maintain or obtain the required permits or approvals as and when required may result in the interruption of our operations or delay or prevent our expansion plans, if any and may have a material adverse effect on our business, financial condition and results of operations.

3. Our ongoing and planned projects may not be completed by their expected completion dates or at all.

We have planned capital expenditure aggregating to ₹ 1,113.00 lakhs towards construction of banquet hall for weddings and other events in Jalandhar. Please refer to the section titled “*Objects of the Issue*” beginning on page no. 47 of this Draft Prospectus. Our capital expenditure plans are subject to a number of variables, including construction/development delays or defects; receipt of critical governmental approvals, force majeure events, availability of financing / success of this IPO, unanticipated cost increases among others any of which could delay our implementation schedule. Failure to complete the project according to its specifications or schedule, if at all, may give rise to potential liabilities and / or cost overruns and as a result, our returns on investments may be lower than originally expected, which may have a material adverse impact on the business operations of our Company.

4. Our Company has availed ₹ 80.00 lakhs as unsecured loan as on September 30, 2015 which are repayable on demand. Any demand from the lenders for repayment of such unsecured loan may affect our cash flow and financial condition.

Our Company as per the restated audited financial statement as on September 30, 2015 has availed total sum of ₹ 80 lakhs as unsecured loan which may be recalled at any time. Sudden recall may disrupt our operations and also may force us to opt for funding at higher interest rates, resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of working capital fund. For further details, please refer to the section “*Unsecured Loans*” under “*Financial Statements*” beginning on page no. 113 of this Draft Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

5. ***Our Company has allotted Equity Shares during the preceding one year from the date of the Draft Prospectus which are lower than the Issue Price.***

Our Company has allotted the following Equity Shares during the preceding one year from the date of the Draft Prospectus which are lower than the Issue Price:

Date of Allotment	Name of the Allottees	Number of Shares	Issue Price (₹)	Reasons	Promoter / Promoter Group
March 27, 2015	Sukhdev Singh	12,00,000	10	Further Allotment	Yes
October 20, 2015	Sukhdev Singh	25,77,200	Nil	Bonus Allotment	Yes
	Salwinderjit Kaur	1,30,400			Yes
	Sham Sunder Aggarwal	1,900			No
	Ashwani Kant	1,900			No
	Rajeev Beri	1,800			No
	Gundeep Singh	1,800			No
	Baby Sharma	1,800			No
	Virendra Singh	1,800			No

6. ***There may be possible conflicts of interest between us and our Promoter or one or more of our Group Entities. If our Promoter or Group Entities act in a manner that is contrary to our interests, our business, financial condition and results of operations could be adversely affected.***

The Main Object Clause of certain of our Group Companies/entities, viz. AGI Infra Limited and Proprietary concern of our Promoter, M/s. Aay Jay Builders forming part of the AGI Group, permits them to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Though each company has its independent business, we cannot be assured that we shall be able to adopt necessary measures for mitigating these conflicts and hence the same if not managed well, could adversely affect our results of operations and financial condition.

Also, our Company does not have any non-compete or such other agreement / arrangement with the above said companies. For further details, please refer to the chapters titled ‘Business Overview’, ‘Our Promoter, Promoter Group and Group Companies’, beginning on page nos. 70 and 104, respectively and “Annexure XVII - Related Party Transactions” on page no 127 of this Draft Prospectus.

7. ***Our Directors and Promoter Group Entities may have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

Our Directors and Promoter Group may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship in our Company. Further, the Persons in control of our Promoter are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled “Our Business” and “Our Promoters, Promoter’s Group and Group Companies”, beginning on page nos. 70 and 104 respectively and “Annexure XVII - Related Party Transactions” on page no. 127 under chapter titled “Financial Statements” beginning on page no. 113 of the Draft Prospectus.

8. ***The launch of our new project, if proved to be unsuccessful could impact our growth plans and may adversely impact earnings.***

Our proposed project of setting up banquet halls is in process and we intend to raise funds through this IPO for purchase of additional land and construction thereon. The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

9. ***We have availed of certain loans from Banks, pursuant to the Financing Agreements that we have entered into with them. Pursuant to the terms of such agreements, we require consents from the respective Bankers for a number of corporate actions, including for undertaking this Issue, which have not been obtained as on date. Any failure to obtain such consents may result in a default under the terms of the Financing Agreements.***

Pursuant to the Financing Agreements entered into by us with the Bankers, we are required to obtain consents from the respective Bankers to undertake certain actions, including this Issue and for completion of the requirements pertaining to this Issue. We have not obtained consents from one of our bankers for undertaking this Issue, and the same is awaited.

While our Company intends to obtain all the necessary consents in relation to this Issue from our banker prior to the filing of the Prospectus with the RoC, undertaking this Issue without obtaining banker's consents, or in contravention of any conditions contained in such contents, may constitute a breach of the Financing Agreements. Any default under the Financing Agreements may enable our banker to cancel any outstanding commitments, accelerate the repayment and enforce their security interests. If our obligations under the Financing Agreements are accelerated, our financial condition and operations could materially and adversely be affected.

10. ***We do not own some of our key properties which are used by us currently and we have acquired lands in relation to our business from our Promoter.***

The land on which our hotel "AGI Inn" is situated is owned in the name of one of our Promoter, Mr. Sukhdev Singh and we have acquired the same on a lease basis. We cannot guarantee the continuity of this arrangement and our Promoter may cease this arrangement. In case of such an event, we may have to relocate, re-build our hotel property or we may have to agree on terms which may not be administratively and financially conducive to us. This may result in additional cost, disruption of day-to-day activities and increased rent burden which would adversely affect our financial condition.

Also, various other land and shops have been purchased from our Promoter / Promoter Group within the last year. Though we believe we have executed proper agreements and purchase deeds for the above land, we cannot guarantee that our promoter / promoter group may not have availed benefit over and above the cost of the respective properties.

For details regarding such purchased / rented properties, please refer to "Our Business – Properties" on page no. 79 of this Draft Prospectus.

11. ***Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us. Our success also depends upon the services of our key managerial personnel and our ability to attract and retain key managerial personnel and our inability to attract them may affect our operations.***

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day to day operations and management since the incorporation of the Company. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Further, we rely on the continued services and performance of our key executives and senior management for continued success and smooth functioning of the operations of the Company. If we lose the services of any of our key managerial personnel, we may be unable to locate suitable or qualified replacements, and may incur additional expenses to recruit and train new personnel, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Moreover, we do not maintain key person insurance to insure against the loss of key personnel.

Our Promoters, along with the key managerial personnel, have over the years built relations with manufacturers, formulators, customers and other persons who are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

12. We conduct due diligence and assessment exercises prior to acquisition of land for undertaking development, but we may not be able to assess or identify certain risks and liabilities

We have in the past acquired land for our Hotel, Banquets and F & B outlets and may continue to do so in the future. We have an internal assessment process on land selection and acquisition which includes a due diligence exercise to assess the title of the land and preparation of feasibility reports to assess its financial viability. Our internal assessment process is based on information that is available or accessible by us. There can be no assurance that such information is accurate, complete or current. Any decision based on inaccurate, incomplete or dated information may result in risks and liabilities associated with such projects. This may adversely affect our business, financial condition and results of operations.

13. Our funding requirements and deployment of the issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution and actual cost may vary compared with the estimated amount.

Our funding requirement and deployment of the proceeds of the issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and, consequently, our funding requirements may also change as a result of various factors which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the working capital limits maintained from time to time at the discretion of our board. In addition, schedule of implementation as described herein are based on management's current expectations and our subject to change due to various factors some of which may not be in our control. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee.


14. We have experienced negative cash flows in previous years / periods. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial condition.

Our Company had reported certain negative cash flows from our operating activities, investing activities and financing activities in the previous years as per the restated financial statements and the same are summarised as under:

Particulars	Sept 30, 2015	For the year ended March 31,		
		2015	2014	2013
Cash flow from Operating Activities	(135.53)	52.29	(30.46)	(18.65)
Cash flow from Investing Activities	(706.85)	(179.74)	(256.25)	(77.47)
Cash flow from Financing Activities	822.39	158.84	277.22	106.42

(₹ in lakhs)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

15. We do not own the “” trademark, and our ability to use the trademark, name and logo may be impaired.

We have not applied for registration of any of our trademarks that are identifiable with the AGI Hospitality Limited and “AGI Inn”. Consequently in respect of the unregistered marks, we do not enjoy the statutory protections and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. Other than as mentioned above, we have not applied for any other form of intellectual property protection. Consequently, we may not be able to effectively protect our intellectual property rights.

For further details, see “Our Business — Intellectual Property” on page no. 79 of this Draft Prospectus.

16. Our Company has in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.

Our Company has entered into related party transactions with our Promoters, Directors and the Promoter Group aggregating ₹ 259.53 lakhs and ₹ 429.06 lakhs for the last financial year ended March 31, 2015 and for period ended September 30, 2015, respectively. While our Company believes that all such transactions have been conducted on the arms 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. Furthermore, it is likely that our Company will 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 operation. For details, please refer to "Annexure XVII - Related Party Transactions" under section titled "Financial Statements" on page no. 127 of this Draft Prospectus.

17. There are various negative covenants in the agreements entered into by us and our lenders, which could put us at a competitive disadvantage and could have an adverse effect on our business, results of operations and financial condition.

Our financing agreements contain provisions that restrict our ability to do, among other things, any of the following:

- Change or alter capital structure, unless stipulated by the Bank
- Effect any scheme of amalgamation or reconstitution.
- Implement a new scheme of expansion or take up an allied line of business / manufacture.
- Divert the funds raised to Inter Corporate Deposits, Debentures, Stocks & Shares, Real Estate, etc.
- Declare dividends without paying the due instalments, interests etc. to the Bank and without regularizing the Bank Accounts.
- Enlarge the scope of other manufacturing / trading activities.
- Withdraw moneys brought in by promoters / directors / friends and relatives.
- Invest any fund by way of deposits or loans or in share capital.
- Borrow or obtain credit facilities from any other Bank / Institution..

We must obtain the approval of the lenders under our financing agreements before undertaking these significant corporate actions. We cannot assure you that the lenders will grant the required approvals in a timely manner, or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In addition to the restrictions listed above, we are required to maintain certain financial ratios under our financing agreements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities.

Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future), goods and work-in-progress (whether existing or future). Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, your ownership interest in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost.

If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

18. Our insurance coverage may not adequately protect us against certain operating hazards and this may have a material adverse effect on our business.

Operating and managing hotels involves many risks that may adversely affect our operations, and the availability of insurance is therefore important to our operations. For example, there is a risk of work accidents and equipment failure. Fire or other perils may cause injury and loss of life and damage to and destruction of property and equipment. We maintain a standard fire and perils coverage in relation to our assets, stocks, and properties. We believe that our insurance coverage is generally consistent with industry practice. However, to

the extent that any uninsured risks materialize or we fail to effectively cover ourselves for any risks, we could be exposed to substantial costs and losses that would adversely affect results of operations. In addition, we cannot be certain that our coverage will be available in sufficient amounts to cover one or more large claims, or that our insurers will not disclaim coverage as to any claims. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or that leads to adverse changes in our insurance policies, including premium increases or the imposition of a large deductible or co-insurance requirement, could adversely affect our results of operations.

19. *Any failure in our IT systems could adversely impact our business.*

We use information technology systems to enhance our performance and efficiency. We are in the process of implementing enterprise resource planning software across the various business functions in our Company to integrate systems among our departments, including reservations, housekeeping, employee management and accounting. In case of failure of any IT systems, our quality of service will be adversely affected leading to inconvenience to our patrons, loss of reputation and other financial loss eventually impacting our business operations and financial results.

20. *Our Promoters will continue to exercise significant control over our business.*

Post this Issue, our Promoters and Promoter Group will collectively own substantial portion of our Equity Share Capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that may not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

21. *The Company is yet to place orders for the raw materials required for the construction of the wedding banquets at Jalandhar, equipments, furniture and fittings amongst others. Delay in placing of such orders or delay in supply of the raw materials in particular, may lead to time and/or cost overruns which would adversely affect our business operations, financial condition and profitability.*

Of the estimated expenditure amounting to ₹ 350.00 lakhs anticipated towards construction and site development, building and civil works, equipments, furniture and fittings and other fixed assets, we are yet to place orders or enter into contracts for an amount of ₹ 350.00 lakhs. Delay in placing of such orders or delay in supply of the raw materials required for construction of new wedding banquets at Jalandhar, may lead to time and/or cost overruns and would consequently, adversely affect our business operations, financial condition and profitability. For further details, please refer section “*Objects of the Issue*” beginning on page no. 47 of this Draft Prospectus.

22. *The success of our business is dependent on our ability to anticipate and respond to client requirements. In the event that we are unable to identify and understand contemporary and evolving customer tastes or to deliver quality service as compared to our competitors, it could adversely affect our business.*

Our company is in the hospitality industry and is driven by the quality of service we provide and meeting the expectations of our clients. We strive to keep up with the evolving client requirements to enhance our existing business and level of customer service. Owing to increase in competition, and in the event that we are unable to identify and understand contemporary and evolving customer tastes or to deliver quality service as compared to our competitors, it could adversely affect our business.

23. *The hotel industry is cyclical and sensitive to changes in the economy and this could have a significant impact on our operations and financial results.*

The hotel business is cyclical and sensitive to changes in the economy in general. The hotel sector may be unfavourably affected by such factors as changes in the global and domestic economies, changes in local market conditions, excess hotel supply or reduced demand for hotel rooms and associated services, competition

in the industry, changes in interest rates, inflation the availability of finance and other natural and social factors. Since demand for hotels is affected by economic growth in India as well as globally, a global or domestic recession could lead to a downturn in the hotel industry. Such adverse developments in the hotel industry in India or in the cities where our hotels are located would have a negative impact on our profitability and financial condition.

24. *Increased competition in the hotel sector may adversely affect the operation of our hotels, the results of our operations and our financial conditions.*

Hotel owned, managed or operated by us compete for guests with other hotels in a highly competitive industry. Our success would be dependent on our ability to compete in areas such as room rates, quality of accommodation, service levels, brand recognition among others. Currently we have operations only in Jalandhar where we face competition from existing hotel players, international hotel chains and will also have to compete with any new hotel properties coming up in the city. We expect to face similar competition in the segment of wedding banquets and F&B outlets / restaurants where we are expanding or have intentions of expanding. There can be no assurance that new or existing competitors will not significantly lower rates or offer greater convenience, services or amenities or significantly expand or improve facilities in the market in which we operate. Such developments would affect our ability to compete with them and have a negative impact on our profitability and financial condition.

25. *Our business is seasonal in Nature*

Our revenues are generally higher during the second half i.e. October to March / April as compared to the first half i.e. (April / May to September) on account of vacations and festivals. Any disturbances / disruptions during this period may lead to reduction in our revenues and can have a material adverse impact on our financial performance. Further, our revenues are also impacted in case of any major event, shows or trade fairs organised in the city by governments, big corporations or other public groups. As a result, the quarter to quarter comparison of historical results may not be accurate or a meaningful indicator of our future performance.

26. *The hotel industry is cyclical and sensitive to changes in the economy and this could have a significant impact on our operations and financial results.*

The hotel business is cyclical and sensitive to changes in the economy in general. The hotel sector may be unfavourably affected by such factors as changes in the global and domestic economies, changes in local market conditions, excess hotel supply or reduced demand for hotel rooms and associated services, competition in the industry, changes in interest rates, inflation the availability of finance and other natural and social factors. Since demand for hotels is affected by economic growth in India as well as globally, a global or domestic recession could lead to a downturn in the hotel industry. Such adverse developments in the hotel industry in India or in the cities where our hotels are located would have a negative impact on our profitability and financial condition.

27. *We are subject to operating risks common in the hotel industry. In the event that we are unable to manage operating risks, our profitability and financial position would be adversely affected.*

Our financial results are affected by occupancy and room rate achieved by our hotels, our ability to control cost of developing and running additional rooms and the success of our food and beverage operations. Further our operating margins would be adversely affected by increase in electricity, insurance and environmental compliance expenses. Our hotels would have to be renovated periodically to keep up with the changing trends and such renovation may involve significant development and maintenance costs. Our inability to manage the above operating risk would have a negative impact on our profitability and financial position.

28. *Our use of imported foodstuffs and equipment exposes us to the risk of the imposition or increase of tariffs, duties, quotas and other limitations on imported foodstuffs.*

We depend to a certain extent on ingredients and equipment that are imported by local third party suppliers from whom we purchase such ingredients and equipment. We may in future, continue to procure various ingredients and equipments from various countries. India has in place import quotas and tariffs on food products imported from each country, which generally increases prices for imported products. We have no control over the imposition of such measures and such restrictions may increase in the future, thereby increasing the costs of these commodities and negatively affecting our results of operations.

In addition, Indian authorities may ban imports of foodstuffs into India, as a result of health or other considerations. These and other measures that reduce the supply of imported foodstuffs available on global markets, or the supply available in India, may cause prices for certain of our ingredients to increase, thereby increasing our costs. To the extent that we are not able to increase the price of the products sold in our restaurants without negatively affecting demand or to adjust our menu offerings to compensate for higher costs of ingredients, the imposition or continuation of such measures could adversely affect our business, financial condition, results of operations and prospects.

29. *Our proposed wedding banquets business is susceptible to the consequences of extreme weather conditions.*

As part fund raising in this IPO, we intend to set-up banquet halls for renting them out for weddings and other events in the city of Jalandhar. These events and weddings are susceptible to severe weather conditions including monsoon rains, storms and other similar conditions, all of which may flood and/or damage our wedding banquet locations, result in fewer bookings due to postponement or closure of banquets for extended or indefinite periods of time or otherwise have a material adverse impact on their operations. Such weather conditions may also materially and adversely affect our Hotel and F&B business therein due to lower footfalls.

There can be no guarantee that substantial expenditure will not be required as a result of floods or any other events arising as a result of extreme weather conditions affecting Jalandhar. Such expenditure could have a material adverse effect on our business, results of operations and financial condition.

30. *Our costs of compliance with health, safety and environmental laws are expected to be significant, and the failure to comply with existing and new health, safety and environmental laws could adversely affect our results of operations.*

Our business is subject to national, state and municipal laws and regulations, which govern the handling and storage of food products, as well as the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations.

In addition, we are also subject to regulation relating to local land use controls, permits planning permission, fire and safety standards, minimum wage, wage payment, employment discrimination and import and export of goods and customs regulations. For further details, see the section “Key Industry Regulations and Policies” on page no 81 of this Draft Prospectus. We could be subject to substantial civil and criminal liability and other regulatory consequences in the event that a health or environmental hazard was to be found at any of our hotels or our F&B outlets therein or if any of our operations result in contamination of the environment, including the spread of any infection or disease. We may be the subject of public interest litigation in India relating to allegations of such contamination, as well as in cases having potential criminal and civil liability filed by regulatory authorities. If such cases are determined against us, there could be an adverse effect on our business and operations. In addition, health, safety and environmental regulation in India may become more stringent, and the scope and extent of new regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in health, safety or environmental regulations, we may be required to incur significant amounts on health, safety and environmental audits and monitoring, pollution control equipment and emissions management. Further, we do not have any insurance coverage for liability claims and the occurrence of an event for which we are not insured could have an adverse effect on our business, results of operations, financial condition and cash flows.

We also serve alcoholic beverages in our F&B outlets in our Hotel. Alcoholic beverage control regulations relate to numerous aspects of a restaurant’s operations, including the hours of operation, advertising, wholesale purchasing, inventory control and the handling, storage and dispensing of alcoholic beverages. We are subject to licensing and regulation by a number of governmental authorities. For details, see the sections “Key Industry Regulations and Policies” and “Government and Other Statutory Approvals” on page nos. 81 and 141, respectively, of this Draft Prospectus. Changes to licensing and regulation could cause us to incur additional costs which we may not be able to pass on to our guests or which may lead to higher prices being charged to consumers making dining out in such restaurants less attractive and leading to a decline in sales.

Additionally, a change in VAT, service tax or other tax regimes applicable to our business may result in uncertainty, disruption to operations and/or implementation costs which we may not be able to pass on to our guests or which may lead to higher prices being charged to consumers, making dining out less attractive and leading to a decline in sales.

Risk Factors Related To Equity Shares

31. Any further issuance of Equity Shares by our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares

Any future issuance of Equity Shares by our Company could dilute the investors' shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

32. There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Offer and, as a result, you could lose a significant portion or all of your investment

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Prior to the Offer, there has not been a public market for the Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Offer Price is not indicative of prices that will prevail in the open market following the Offer. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Offer Price. The market price of the Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our quarterly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about our future performance or the performance of Indian Steel Processing companies generally;
- Performance of our competitors in the Indian Steel / Steel Processing industry and the perception in the market about investments in the Steel sector;
- Significant developments in the regulation of the Steel industry in our key locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalisation and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share

Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

33. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, the Equity Shares at a particular point in time

The price of the Equity Shares will be subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do

not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

34. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows*

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital as well as capital intensive. We further propose to incur capital expenditure in setting up wedding banquets for renting out to clients for weddings and various other events. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

External Risk Factors

35. *Any change in the government policies vis-à-vis expenditure, subsidies and incentives etc. in hospitality sector could affect their ability to spend on agrochemical products, thereby affecting our business and profitability.*

Any changes in government policies relating to the hospitality / hotel sector such as reduction of government expenditure, withdrawal or changes in incentives and subsidy systems, pricing restriction, or adverse changes in health and safety standards could have an adverse effect on the ability of consumers to spend on hotels and restaurants.

Our ability to freely set prices for hotel rooms may be restricted by the government and our profits may reduce. We currently have hotel in Jalandhar, Punjab and we cannot predict the nature of the measures that may be adopted by governments or private organisations or their impact on our revenues. In the event such measures result in increased costs for services and related materials and equipments, we may be forced to increase prices resulting in lower demand, which could reduce our cash flows.

36. *The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs*

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could also affect our reputation.

To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavour to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such

provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013, which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

37. *Any changes in the regulatory framework could adversely affect our operations and growth prospects*

Our Company is subject to various regulations and policies. For details see section titled “*Key Industry Regulations and Policies*” beginning on page no. 81 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

38. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse affects on our operations and financial performance*

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

39. *Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.*

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors’ reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE’s benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

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

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

42. Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

43. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.

Our financial statements, including the financial statements provided in this Draft Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, see "Presentation of Financial, Industry and Market Data" on page no. 7 of this Draft Prospectus. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards" ("IFRS"), which was announced by the MCA, through the press note dated January 22, 2010. These "IFRS based / synchronized Accounting Standards" are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, the Finance Minister, during the Budget speech, 2014, proposed the adoption of IND (AS) by Indian companies from fiscal 2016 on a voluntary basis, and from fiscal 2017 on a mandatory basis. Accordingly, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards (i.e., IND (AS)) and for future periods.

Further, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares. Moreover, our transition to IFRS reporting may be hampered by increasing competition and increased costs for the relatively small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements. Any of these factors relating to the use of IFRS-converged Indian Accounting Standards may adversely affect our financial condition.

PROMINENT NOTES

1) Key Issue Particulars:

Pre Issue Net worth (Based on audited accounts as on September 30, 2015)	₹ 510.37 lakhs*
Issue Size	24,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 40 per share aggregating ₹ 960.00 lakhs
Cost Per Share to the Promoters	Mr. Sukhdev Singh: ₹ 12.38 per equity share Ms. Salwinderjit Kaur: ₹ 6.72 per equity share
Net Asset Value per share or Book Value (Based on Audited Accounts as on September 30, 2015) (Face Value of ₹ 10 per share)	₹ 18.77*

*Source: Annexure XXI - Statement of Accounting Ratios, as restated

- 2) Our Company, its Promoters / Directors, Company's Associates or Group companies have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI. The Promoters, their relatives, Company, Group Companies and Associate Companies are not declared as wilful defaulters by RBI / Government authorities and there are no violations of securities laws committed in the past or pending against them.
- 3) Investors are advised to refer to the paragraph titled "*Basis for Issue Price*" beginning on page 52 of this Draft Prospectus.
- 4) The Lead Manager and our Company shall update this Draft Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Draft Prospectus and commencement of trading.
- 5) Investors are free to contact the Lead Manager for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
- 6) In the event of over-subscription, allotment shall be made as set out in paragraph titled "*Basis of Allotment*" beginning on page no 209 of this Draft Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. BSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
- 7) Except as disclosed in the chapters titled "*Our Promoter, Promoter Group and Group Companies*" and "*Annexure XVII - Related Party Transactions*" beginning on page nos. 104 and 127, of this Draft Prospectus, respectively, none of our Group Companies have business interests or other interests or any other transaction with / in our Company.
- 8) No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Financial Statements. For details, please see the section titled "*Financial Information*" beginning on page no. 113 of this Draft Prospectus.
- 9) The details of transaction by our Company with Group Companies during the last year are disclosed under "*Annexure XVII - Related Party Transactions*" on page no. 127 of this Draft Prospectus.
- 10) Our Company was incorporated as AGI Hospitality Pvt. Ltd. on July 24, 2012 under the Companies Act, 1956, with the Registrar of Companies, Punjab and Chandigarh bearing Registration Number - 036475. The status of our Company was changed to a public limited company and the name of our Company was changed to AGI Hospitality Ltd. by a special resolution passed on October 10, 2015. A fresh certificate of incorporation consequent to the change of name was granted to our Company on November 26, 2015, by the Registrar of Companies, Punjab and Chandigarh. The Company's Corporate Identity Number is U55101PB2012PLC036475 and its Registered Office is situated at Ladowali Road, Opposite Circle Education Office, Jalandhar, Punjab- 144001.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

Indian Scenario

Macroeconomic developments in the first half of 2015-16 have evolved in close alignment with baseline forecasts. Going forward, inflation is projected to stay below the January 2016 target in 2015-16 and ease further in 2016-17. The projection of growth is revised downward for 2015-16, with some firming in the following year. Over the first half of 2015-16 (April-March), macroeconomic developments have evolved in close consonance with staff's baseline forecast paths set out in the April 2015 Monetary Policy Report (MPR).

Aggregate demand measured by year on year changes in real GDP moderated sequentially in Q1 of 2015-16 in relation to the preceding . Seasonally adjusted, the qoq slowdown in GDP in Q1 was even sharper (Chart III.1). Underlying this deceleration, government consumption expenditure did not exhibit the usual rebound that was expected in Q1 from cutbacks in the preceding quarter (Q4 of 2014-15) to meet annual fiscal targets. Furthermore, the contribution of net exports to aggregate demand turned modestly negative in Q1 of 2015-16 with the export contraction deepening as external demand fell away. On the other hand, the contribution of private consumption demand held up sequentially, supported by real income gains accruing from the ongoing disinflation. Alongside, the growth of gross fixed capital formation picked up, increasing its contribution to aggregate demand as the unclogging of stalled projects continued and input costs declined as global commodity prices softened.



(Source: Monetary Policy Report, issued by RBI on September, 2015)

Gross tax revenues have risen robustly this year so far, led by excise duty collections which expanded by 69.7 per cent during April - August. The buoyancy in excise revenue primarily reflects resource mobilization efforts in the form of increases in excise duty on petrol and diesel between November 2014 and January 2015, an increase in the clean energy cess and withdrawal of exemptions for motor vehicles, capital goods and consumer durables. Excluding these 'rate hike effects', excise duty collections would have grown by 9 per cent. Service tax collections rose 21.6 per cent in April - August, again reflecting the increase in service tax rates (inclusive of education cess) effected in June. Direct taxes – accounting for 42 per cent of total tax collections – were subdued through April - July. Staggered receipts from spectrum auctions conducted in March 2015 boosted nontax revenue, while disinvestment proceeds from stake sale also provided a measure of fiscal support.

Table III.2 : Key Fiscal Indicators Central Government Finances		
(per cent)		
Indicators	Actual as per cent of Budget Estimate (April-July)	
	2014-15	2015-16
1. Revenue Receipts	14.8	18.3
a. Tax Revenue (Net)	15.0	16.7
b. Non-Tax Revenue	13.5	24.9
2. Total Non-Debt Receipts	14.2	17.7
3. Non-Plan Expenditure	30.5	33.8
a. Revenue Account	30.3	33.9
b. Capital Account	32.1	32.4
4. Plan Expenditure	23.0	33.9
a. Revenue Account	22.9	32.2

b. Capital Account	23.1	38.2
5. Total Expenditure	28.1	33.8
6. Fiscal Deficit	61.2	69.3
7. Revenue Deficit	70.4	77.6
8. Primary Deficit	198.1	258.7

Source: Controller General of Accounts, Government of India

(Source: Monetary Policy Report, issued by RBI on September, 2015)

In the context of the slowdown in economic activity in India, attention has been drawn to the sensitivity of aggregate demand to interest rates. Estimation of IS-type aggregate demand functions over time suggests that sensitivity of the output gap to real interest changes has increased. Every percentage point increase in the real interest rate gap reduces the output gap by 10-13 basis points in the short run and by up to 25-50 basis points in the long- run. There are, however, non-linearities involved.

(Source: Monetary Policy Report, issued by RBI on September, 2015)

INDIAN HOSPITALITY INDUSTRY

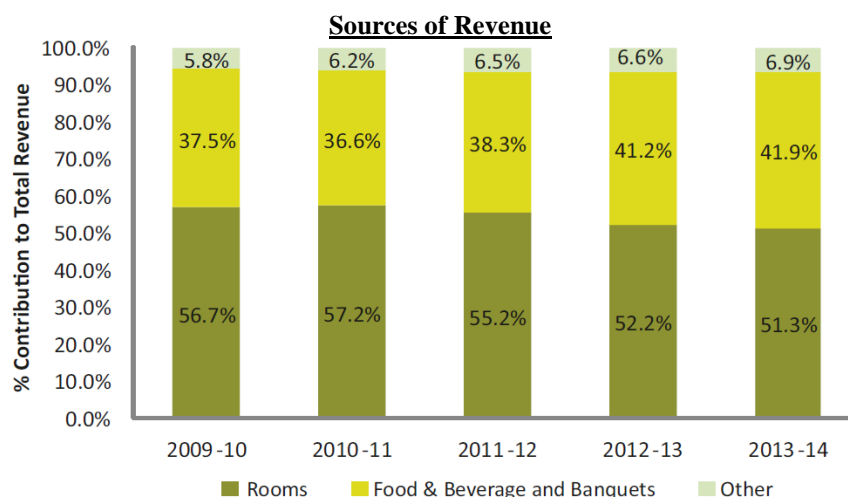
India has the potential to become the number one tourist destination in the world with the demand growing at 10.1 per cent per annum, the World Travel and Tourism Council (WTTC) has predicted. The WTO (World Travel Organisation) predicts that India will receive 25 million tourists by year 2015. The earlier setbacks in global tourism have strengthened the Department of Tourism's resolve to promote India's tourism through aggressive marketing strategies through its campaign 'Incredible India'.

India currently has over 200,000 hotel rooms spread across hotel categories and guest-houses and is still facing a shortfall of over 100,000 rooms. The country is witnessing an unprecedented growth in hotel constructions and will be adding almost 114,000 hotel guest rooms to its inventory over the next five years

Indian Hotel Industry Performance – Country Trends

Increasing Contribution of Non-Rooms Revenue:

There has been a continued change in the revenue composition over the past few years. Although ARRs saw a marginal increase, the trend of declining revenues from the Rooms division continued in 2013-14, falling from 52.2% in 2012-13 to 51.3% in 2013-14. The contribution of Food and Beverage (F&B) revenue, on the other hand, has increased marginally from 41.2% in 2012-13 to 41.9% in 2013-14 with rising contribution from Banquets and Conferences. Additionally, Other revenue that includes laundry, gift shop, business centre, health club and rentals also saw a slight growth from 6.6% in 2012-13 to 6.9% in 2013-14.



(Source: FHRAI Report on Indian Hotel Industry Survey 2013-2014)

Foreign Arrivals Are Rising:

Over 7.757 million foreign tourist arrivals are expected in 2015. Foreign tourist arrivals increased at a CAGR of 7.1percent during 2005–15E. By 2025, foreign tourist arrivals are expected to increase to15.3 million, according to the World Tourism Organisation. During January-April 2015, foreign exchange earnings from tourism were USD 6.815 billion as compared toUSD19.7 billion in 2014, registering a drop of 65.3percent. Foreign exchange earnings increase data CAGR of 10.8 per cent during 2006–14.

Foreign tourists arriving in India (million)



(Source: IBEF report on Tourism and Hospitality, August 2015)

INDIAN WEDDING INDUSTRY

Weddings are the most important event of an Indian’s life. The Wedding event is one of the biggest celebrations of the family and it is indeed a great memorable day for the bride and groom and for all those sharing their joyous moments with them. According to Conde Naste India, the average Indian spends a staggering one-fifth of the wealth accumulated in his lifetime on a son or daughter’s wedding, second only to the investment made in the family home.

Currently, the Indian wedding industry is over Rs 100,000 crore and is growing at 25 to 30 per cent annually. The estimated cost of a wedding with no expenses spared could be between Rs 5 lakh to Rs 5 crore, in India. With each passing year, Indian weddings are getting bigger and better offering lucrative business opportunity to players involved. Currently, the country has a population of around 1.25 billion and considering an average family with five members, there are around 250 million families in India. With about one marriage per family every 20 years, the country averages roughly 10 million marriages every year. An average 30 to 40 grams of gold is spent in every marriage across the country, thus the total consumption of gold comes between 300 to 400 tonnes annually. (Source: <http://retail.franchiseindia.com/article/whats-hot/trends/The-Flourishing-Indian-Wedding-Industry.a247/>)

It is also expected, the per capita income will be tripled in a couple of decades and the per capita consumption of gold during weddings or otherwise will increase. With half of India’s population being under 29 years of age, the marriage market is set to boom like never before over the next five to ten years. If we take the above figures, it means the Indian marriage market is around Rs 1 lakh crore to Rs 300,000 crore annually, if one crore marriages are solemnized in the country annually.

(Source: <http://retail.franchiseindia.com/article/whats-hot/trends/The-Flourishing-Indian-Wedding-Industry.a247/>)

SUMMARY OF OUR BUSINESS

About our Company

AGI Hospitality Ltd., incorporated in the year 2012, is the Hospitality Arm of the group. This company is currently running a Hotel, namely, “AGI Inn”, comprising of 16 rooms in Jalandhar, since 2014.

“The AGI Inn”, Jalandhar has a unique combination of state of the art interiors and old world hospitality services culture. It caters to the domestic as well as international tourist or business travelers. As part of the AGI inn, we are currently operating various F&B outlets namely “Sky Lounge”, “Flavors” and “Alcove” and various banquet facilities namely “Empress”, “Princess” and “Ruby” which cater to different dining experiences as well as varied type of events. We have also acquired land parcel admeasuring 229.93 sq. meters adjacent to our hotel – “AGI Inn” for future expansion purposes.

Our long term focus is on the F&B and Banquet businesses which we believe have a higher demand and better profitability as compared to the lodging business in general and hence we have also acquired 3 different shops at “AGI Business Centre” on Garha Road, Jalandhar which we may in the future be able to convert into restaurants or catering outlets. These shops are currently leased out on rent to outside parties for rental income. We also plan to concentrate on the fast growing wedding market in Northern India and we are hence setting up a banquet hall and wedding palace at G.T. Road in Jalandhar for which we have already acquired 3073.08 sq. meters of land and the remaining land of 3262.78 sq. meters and construction cost is being proposed to be completed from the net proceeds of the issue. For further details please refer to “Objects of the Issue” beginning on page no 47 of this Draft Prospectus.

As on 30th November, 2015 we employ 28 people on our payroll, all of whom are currently dedicated to our varied offerings at AGI Inn.

Our Strengths

Today’s dynamic markets and changing technologies have called into question the sustainability of a competitive advantage. We believe that the following competitive advantages of our Company would ensure our survival and help us attain a prominent position in the market:

Established Brand Name of AGI Group

Having been in the construction industry for over 2 decades, the AGI Group has delivered a wide variety of construction and infrastructure projects in Punjab. The AGI Group has an accredited name and reputation for quality in the construction industry. This past execution track record would ensure that any new project that we set up would always have an edge when it comes to its construction and development efficiency. Further, we believe that the goodwill accumulated by the AGI Group over the years, will help us in not only creating a loyal customer base for our Hospitality based Projects too but also in future tie-ups for finance and with suppliers. Hence, we believe that having an already established brand name provides us with significant competitive advantages.

Well qualified and Experienced Management Team

Our Company is managed by a team of professionals led by Mr. Sukhdev Singh who has been associated with the infrastructure industry for over 2 decades. Our Promoter and our Key Managerial Personnel have the requisite educational qualifications and experience to manage the current scale of business as well as the expansion plans for the future. For further details on our Promoter-Directors and our Key Managerial Personnel, please see “Our Management” on page no 93 of this Draft Prospectus.

Locational Advantage

One of the key success metrics for operating in the hotel industry is the location of the hotel. Accordingly, our existing hotel property “AGI Inn” at Jalandhar is located in the prime business location of the city, within close proximity to commercial and shopping destinations, the city railway station and bus stand thus offering convenience to our guests. Further, our property at G.T. Road, where we propose to set up our Wedding Palace is located in the prime upmarket area of the city, perfectly slated to become the preferred location for wedding and other functions in and around Jalandhar.

Asset based model which allows future appreciation benefits and ability to raise debt

Currently we have assets worth ₹ 621.40 lakhs on our books and we intend to buy assets worth ₹ 365.00 through this IPO. These assets comprise of different Land parcels at various locations aggregating to 4,472.75 sq. meters and these assets shall appreciate in value over time allowing for future ability to collateralize the same and raise additional debt as and when required. We believe that our asset based model as compared to the lease-based model followed by other hospitality groups provides us leverage for future expansion and growth.

Our Strategies

Increase focus on fast growing wedding segment in India

Weddings are the most important event of an Indian's life. According to Conde Naste India, the average Indian spends a staggering one-fifth of the wealth accumulated in his lifetime on a son or daughter's wedding, second only to the investment made in the family home. Currently, the Indian wedding industry is over Rs 100,000 crore and is growing at 25 to 30 per cent annually. The estimated cost of a wedding with no expenses spared could be between Rs 5 lakh to Rs 5 crore, in India. We currently intend to purchase land of approximately 3262.78 sq. meters adjacent to our hotel for the purpose of making it a banquet hall. We believe that with the growing wedding market, not only we will benefit from the banquet revenue, but will also boost our F & B, and hotel business as wedding guests will need rooms to stay and our F & B to provide food for the weddings.

Increase focus on F & B make our restaurant under a separate brand

We intend to increase focus on F&B and we believe that it is a fast growing high margin growth area. We have acquired two shops which are currently leased out. However, we intend to convert these properties into restaurants in the future thus increasing our focus on high margin business. Also, we believe that due to growth of our wedding segment we will be able to increase our revenues from F & B by offering catering services. Our corporate goal is to set up chain of restaurants with the AGI brand and thus have presence in Hotels, Banquets and restaurants covering a big portion of the hospitality sector.

Improve our marketing abilities through online agents and websites

With the increasing concentration of sales through online media, we intend to increase our marketing abilities on the online platforms. Today, majority hotel bookings are made online. Even F& B reservations, food orders and other services are booked through online portals. Though we have tie-ups with some online travel websites for booking of our hotels, we intend to extend such tie-ups to cover all available travel sites. Also, we intend to include online booking on our website itself, which will provide our patrons with better comfort and trust. The various e-travel and e-food websites are the ideal platform to market our services to various corporate and family groups who prefer the convenience of online booking.

SUMMARY OF OUR FINANCIALS

ANNEXURE I: STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	September 30, 2015	As on March 31,		
		2015	2014	2013
I. EQUITY AND LIABILITIES				
(1) Shareholder's Funds				
(a) Share Capital	271.86	216.85	96.85	31.00
(b) Reserves and Surplus	238.51	(91.09)	-	-
Total Shareholder's Funds (A)	510.37	125.76	96.85	31.00
(2) Share application money pending allotment (B)	-	-	-	-
(3) Non-Current Liabilities				
(a) Long-term borrowings	761.09	358.17	286.79	75.42
(b) Deferred tax liabilities (Net)	-	-	-	-
Total Non-Current Liabilities (C)	761.09	358.17	286.79	75.42
(4) Current Liabilities				
(a) Trade payables	27.00	9.01	-	-
(b) Other current liabilities	30.72	40.81	76.23	7.72
Total Current Liabilities (D)	57.72	49.82	76.23	7.72
Total (A+B+C+D)	1,329.19	533.75	459.87	114.13
II. ASSETS				
(1) Non-current assets				
<i>(a) Fixed assets</i>				
(i) Tangible assets	573.17	483.88	-	-
(ii) Intangible assets	-	-	-	-
(iii) Capital work-in-progress	414.82	-	327.56	74.20
(iv) Intangible assets under development	-	-	-	-
(c) Deferred tax assets (net)	-	-	-	-
(d) Long term loans and advances	34.56	-	-	-
(e) Other non-current assets	150.00	-	6.17	3.27
Total Non-Current Assets (A)	1,172.56	483.88	333.73	77.47
(2) Current assets				
(a) Current investments	-	-	-	-
(b) Inventories	14.75	10.50	-	-
(c) Trade receivables	3.59	3.19	-	-
(d) Cash and cash equivalents	12.19	32.19	0.80	10.29
(e) Short-term loans and advances	121.30	-	119.10	25.69
(f) Other current assets	4.80	3.99	6.25	0.68
Total Current Assets (B)	156.63	49.87	126.14	36.66
Total (A+B)	1,329.19	533.75	459.87	114.13

ANNEXURE II: STATEMENT OF PROFIT AND LOSS, AS RESTATED
(₹ in lakhs)

Particulars	September 30, 2015	For the year ended March 31,		
		2015	2014	2013
Income				
Revenue from Operations	40.03	82.33	-	-
Other Income	0.11	0.35	-	-
Total Income	40.14	82.68	-	-
Expenditure				
Purchases	19.97	53.40	-	-
Change in Inventories	(4.25)	(10.50)	-	-
Employee benefit expense	15.91	25.80	-	-
Financial costs	20.62	32.54	-	-
Depreciation and amortization expense	18.17	29.65	-	-
Other expenses	25.19	42.88	-	-
Total Expenses	95.61	173.77	-	-
Profit before exceptional and extraordinary items and tax	(55.47)	(91.09)	-	-
<i>Add: Exceptional Items</i>	-	-	-	-
Profit before extraordinary items and tax	(55.47)	(91.09)	-	-
<i>Less: Extraordinary Items</i>	-	-	-	-
Profit before tax	(55.47)	(91.09)	-	-
Tax expense:				
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Profit/(Loss) from the period from continuing operations	(55.47)	(91.09)	-	-
Profit/(Loss) from discontinuing operations	-	-	-	-
Tax expense of discounting operations	-	-	-	-
Profit/(Loss) from Discontinuing operations	-	-	-	-
Profit/(Loss) for the period	(55.47)	(91.09)	-	-

ANNEXURE III: CASH FLOW STATEMENT, AS RESTATED
(₹ in lakhs)

Particulars	September 30, 2015	For the year ended March 31,		
		2015	2014	2013
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax as Restated	(55.47)	(91.09)	-	-
Adjustment for :				
Depreciation	18.17	29.65	-	-
Extra Ordinary Items	-	-	-	-
Interest / Dividend Income	-	(0.07)	-	-
(Profit) / Loss on sale on Fixed Assets	-	-	-	-
Financial Costs	20.62	32.54	-	-
Operating Profit before Working Capital Changes	(16.68)	(28.97)	-	-
<i>Adjustment for :-</i>				
(Increase) / Decrease in Inventories	(4.25)	(10.50)	-	-
(Increase) / Decrease in Trade Receivables	(0.39)	(3.19)	-	-
Increase / (Decrease) in Trade Payables	17.99	9.01	-	-
Increase / (Decrease) in Other current liabilities	(10.09)	(35.42)	68.51	7.72
(Increase) / Decrease in short term loans & Advances	(121.30)	119.10	(93.41)	(25.69)
(Increase) / Decrease in other Current Assets	(0.81)	2.26	(5.57)	(0.68)
Cash Generated from Operations	(135.53)	52.29	(30.46)	(18.65)
Direct Taxes Paid	-	-	-	-
Net cash from / (used in) operating activities (A)	(135.53)	52.29	(30.46)	(18.65)
CASH FLOW FROM INVESTING ACTIVITIES				
Capital work in progress	(414.82)	-	(253.35)	(74.20)
Purchase of Fixed Assets	(107.47)	(185.98)	-	-
Long Term loans and advances	(34.56)	-	-	-
Other non Current Investments	(150.00)	6.17	(2.90)	(3.27)
Interest / Dividend Income	-	0.07	-	-
Net cash from/ (used in) Investing activities (B)	(706.85)	(179.74)	(256.25)	(77.47)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds From issue of share capital (excluding Premium)	55.01	120.00	65.85	31.00
Share Premium	385.07	-	-	-
Increase/ (Decrease) in Long Term Borrowing	402.93	71.38	211.37	75.42
Increase/Decrease in Long Term Loans & Advances	-	-	-	-
Increase/ (Decrease) in Short Term borrowing	-	-	-	-
Financial Costs	(20.62)	(32.54)	-	-
Net cash from/ (used in) financing activities (C)	822.39	158.84	277.22	106.42
Net (Decrease)/Increase in cash and Cash Equivalents (A+B+C)	(20.00)	31.39	(9.49)	10.29
Cash and cash equivalents at beginnings of year	32.19	0.80	10.29	-
Cash and cash equivalents at end of year	12.19	32.19	0.80	10.29

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

Equity Shares Offered: Present Issue of Equity Shares by our Company	24,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 40 per share aggregating ₹ 960.00 lakhs
<i>Of which:</i>	
Issue Reserved for the Market Makers	1,26,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 40 per share aggregating ₹ 50.40 lakhs
Net Issue to the Public	22,74,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 40 per share aggregating ₹ 909.60 lakhs
Equity Shares outstanding prior to the Issue	54,37,200 Equity Shares
Equity Shares outstanding after the Issue	78,37,200 Equity Shares
Objects of the Issue	Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 47 of this Draft Prospectus

This issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please see the section titled “*Issue Related Information*” beginning on page no. 166 of this Draft Prospectus.

The present issue has been authorised by our Board vide resolution passed at its meeting held on January 09, 2016 and by our Shareholders vide a special resolution passed pursuant to section 62 (1) (C) of the Companies Act, 2013 at the EGM held with a shorter notice on January 09, 2016

GENERAL INFORMATION

Our Company was incorporated as AGI Hospitality Pvt. Ltd. on July 24, 2012 under the Companies Act, 1956, with the Registrar of Companies, Punjab and Chandigarh bearing Registration Number - 036475. The status of our Company was changed to a public limited company and the name of our Company was changed to AGI Hospitality Ltd. by a special resolution passed on October 10, 2015. A fresh certificate of incorporation consequent to the change of name was granted to our Company on November 26, 2015, by the Registrar of Companies, Punjab and Chandigarh. The Company's Corporate Identity Number is U55101PB2012PLC036475 and its Registered Office is situated at Ladowali Road, Opposite Circle Education Office, Jalandhar, Punjab- 144001

For further details, please see chapter titled "History and Certain Corporate Affairs" beginning on page no. 91 of this Draft Prospectus.

Brief Company and Issue Information

Registered Office	Ladowali Road, Opposite Circle Education Office, Jalandhar, Punjab- 144001 Tel No.: +91 – 181 - 5031900. Tele Fax. No.: +91 – 181 - 5031901. Email: info@agiinn.com Website: www.hotelagiinn.com
Date of Incorporation	July 24, 2012
Company Registration No.	036475
Company Identification No.	U55101PB2012PLC036475
Address of Registrar of Companies	Corporate Bhawan, Plot No.4B, Sector 27B, Madhya Marg, Chandigarh -160019 Tel No.: +91 – 172 - 263 9415/ 263 9416 Fax No.: +91 – 172 - 263 9416
Issue Programme	Issue Opens on : [●] Issue Closes on : [●]
Designated Stock Exchange	SME Platform of BSE Limited
Secretary & Compliance Officer	[●]

Board of Directors of our Company

The following table sets forth the Board of Directors of our Company:

Name	Designation	Director's Identification No.
Mr. Sukhdev Singh	Chairman and Managing Director	01202727
Mrs. Salwinderjit Kaur	Executive Director	00798804
Mr. Varinder Singh	Non-Executive Non-Independent Director	07399401
Mr Ravi Kant Aggarwal	Non-Executive Independent Director	07399403
Mr. Manjit Singh	Non-Executive Independent Director	07037656

For further details pertaining to the educational qualification and experience of our Directors, please see the chapter titled "Our Management" beginning on page no 93 of this Draft Prospectus.

Note: Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and refund orders. All grievances relating to the 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 applicant, application number, number of Equity Shares applied for, amount paid on application and designated branch or the collection centre of the SCSB where the ASBA Application Form was submitted by the ASBA Applicants.

Details of Key Intermediaries pertaining to this Issue and our Company

Lead Manager of the Issue

Name : Aryaman Financial Services Limited
Address : 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001
Tel. No. : +91 – 22 – 2261 8264
Fax No. : +91 – 22 – 2263 0434
Website : www.afsl.co.in
Email : ipo@afsl.co.in / info@afsl.co.in
Investor Grievance Email : feedback@afsl.co.in
Contact Person : Mr. Shreyas Shah / Mr. Vimal Maniyar
SEBI Registration No.: : INM000011344

Registrar to the Issue

Name : Bigshare Services Private Limited
Address : E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai - 400 072,
Tel. No. : +91 – 22 – 40430200
Fax No. : +91 – 22 – 28475207
Email : ipo@bigshareonline.com
Website : www.bigshareonline.com
Contact Person : Mr. Ashok Shetty
SEBI Registration No : MB / INR000001385

Legal Advisor to the Issue

Name : M/s Kanga & Company (Advocates & Solicitors)
Address : Readymoney Mansion, 43, Veer Nariman Road, Mumbai - 400 001
Tel. No. : +91 – 22 – 66230000, +91 – 22 – 66332288
Fax No. : +91 – 22 – 66339656 / 57
Website : www.kangacompany.com
Email : chetan.thakkar@kangacompany.com
Contact Person : Mr. Chetan Thakkar

Statutory Auditors of our Company

Name : R. S. Kalra and Associates (Chartered Accountants)
Address : 32-R Model Town, Jalandhar
Tel. No. : +91 – 181 – 4613232
Email : ca.rskalra@yahoo.com
Contact Person : Mr. Ravinder Singh Kalra

Peer Review Auditors

Name : R. A. Marwaha and Co. (Chartered Accountants).
Address : 464-L, Model Town, Jalandhar
Tel. No. : +91 – 9855288844 / +91 - 9646002426.
Email : akrandeva@rediffmail.com
Contact Person : Mr. Ashwani Kumar Randeva

Bankers to our Company

[●]

Bankers to the Issue / Escrow Collection Banks

[●] (to be appointed later)

Refund Banker to the Issue

[●] (to be appointed later)

Self Certified Syndicate Banks

The list of Banks that have been notified by SEBI to act as SCSBs for the ASBA process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSBs collecting the ASBA Application Forms, please see the above mentioned SEBI link.

Statement of Inter-se Allocation of Responsibilities

Aryaman Financial Services Limited is the Sole Lead Manager to this issue, and hence is responsible for all the issue management related activities.

Monitoring Agency

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the issue size is below ₹ 50000 lakhs. Since the Issue size is below ₹ 50000 lakhs, our Company has not appointed a monitoring agency for this issue.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Prospectus.

IPO Grading

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

Trustees

This being an Issue of Equity Shares, the appointment of trustees is not required.

Details of the Appraising Authority

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

Credit Rating

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

Expert Opinion

Except the reports of the Peer Review Auditor of our Company on the Restated Financial Statements and on the Statement of Tax Benefits included in this Draft Prospectus, our Company has not obtained any other expert opinion.

Underwriting

This Issue is 100% Underwritten. The Underwriting agreement is dated January 11, 2016. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of Shares Underwritten	Amount Underwritten (₹ in lakhs)	% of the Total Issue Size Underwritten
Aryaman Financial Services Ltd. 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 2261 8264 Fax No.: +91 – 22 – 2263 0434 Email: ipo@afsl.co.in	22,74,000	909.60	94.75
Aryaman Capital Markets Ltd. 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 2261 8264 Fax No.: +91 – 22 – 2263 0434 Email: aryacapm@gmail.com	1,26,000	50.40	5.25
Total	24,00,000	960.00	100.00

As per Regulation 106 P (2) of SEBI (ICDR) Regulations, 2009, the LM has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above – mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Market Maker

Name	:	Aryaman Capital Markets Limited
Address	:	60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001
Tel. No.	:	+91 – 22 – 2261 8635
Fax No.	:	+91 – 22 – 2263 0434
Website	:	http://www.afsl.co.in/Acml/index.html
Investor Grievance Email	:	aryacapm@gmail.com
Contact Person	:	Mr. Harshad Dhanawade
SEBI Registration No.:	:	INB011465938
Market Maker Registration No.	:	SMEMM0651421122012

Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager, Aryaman Financial Services Limited have entered into an agreement dated January 11, 2016 with Aryaman Capital Markets Ltd., a Market Maker registered with the SME Platform of BSE in order to fulfil the obligations of Market Making.

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME Platform from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
7. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
9. The Market Maker shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time.

The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

10. **Risk containment measures and monitoring for Market Maker:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Maker:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the

Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

12. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 25000 lakhs, the applicable price bands for the first day shall be:
- a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
 - c. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading.

The following spread will be applicable on the BSE SME Exchange/ Platform:

Sr. No.	Market Price Slab (in M)	Proposed spread (in % to sale price)
1	Up to 50	9
2	50 to 75	8
3	75 to 100	6
4	Above 100	5

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

CAPITAL STRUCTURE

The share capital of the Company as on the date of this Draft Prospectus is set forth below:

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A	Authorised Share Capital		
	80,00,000 Equity Shares of face value of ₹ 10 each	800.00	-
B	Issued, Subscribed and Paid-up Share Capital before the Issue		
	54,37,200 Equity Shares of face value of ₹ 10 each	543.72	-
C	Present Issue in terms of this Draft Prospectus*		
	Issue of 24,00,000 Equity Shares of ₹ 10 each at a price of ₹ 40 per equity Share	240.00	960.00
	<i>Which comprises:</i>		
	1,26,000 Equity Shares of ₹ 10 each at a price of ₹ 40 per Equity Share reserved as Market Maker Portion	12.60	50.40
	Net Issue to Public of 22,74,000 Equity Shares of ₹ 10 each at a price of ₹ 40 per Equity Share to the Public	227.40	909.60
	<i>Of which:</i>		
	11,37,000 Equity Shares of ₹ 10 each at a price of ₹ 40 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	113.70	454.80
	11,37,000 Equity Shares of ₹ 10 each at a price of ₹ 40 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	113.70	454.80
D	Equity Share Capital after the Issue		
	78,37,200 Equity Shares of ₹ 10 each	783.72	
E	Securities Premium Account		
	Before the Issue (as on date of this Draft Prospectus)	113.21	
	After the Issue	833.21	

* The present Issue has been authorized pursuant to a resolution of our Board dated January 09, 2016 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on January 09, 2016.

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

Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

Date of Change/Meeting	Existing Capital		Additional Capital		Total Capital		Remarks
	No. of Shares	₹ / Share	No. of Shares	₹ / Share	No. of Shares	₹ / Share	
On Incorporation	-	-	2,50,000	10	2,50,000	10	Incorporation
January 31, 2013	2,50,000	10	7,50,000	10	10,00,000	10	Increase
March 23, 2015	10,00,000	10	20,00,000	10	30,00,000	10	Increase
October 07, 2015	30,00,000	10	50,00,000	10	80,00,000	10	Increase

Notes to the Capital Structure

1. Share Capital History of our Company:

a) Equity Share Capital

Our Company has made allotments of Equity Shares from time to time. The following is the Equity Share Capital Build-up of our Company:

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
July 10, 2012	10,000	10	10	Subscription to MoA	Cash	10,000	1,00,000	Nil
March 30, 2013	3,00,000	10	10	Further Allotment	Cash	3,10,000	31,00,000	Nil
July 31, 2013	1,50,000	10	10	Further Allotment	Cash	4,60,000	46,00,000	Nil
March 28, 2014	5,08,500	10	10	Further Allotment	Cash	9,68,500	96,85,000	Nil
March 27, 2015	12,00,000	10	10	Further Allotment	Cash	21,68,500	2,16,85,000	Nil
August 26, 2015	2,75,100	10	80	Further Allotment	Cash	24,43,600	2,44,36,000	1,92,57,000
September 19, 2015	2,75,000	10	80	Further Allotment	Cash	27,18,600	2,71,86,000	3,85,07,000
October 20, 2015 ⁽¹⁾	27,18,600	10	Nil	Bonus Allotment	Other than Cash	54,37,200	5,43,72,000	1,13,21,000

⁽¹⁾ Pursuant to EGM held on October 20, 2015, our Company has issued 27,18,600 Bonus Shares in the ratio of 1:1 i.e. 1 equity shares for every 1 equity share held to the shareholders, by way of capitalization of securities premium account.

b) Our Company has not issued Equity Shares for consideration other than cash except for the Equity Shares as mentioned under:

Date of Allotment	No. of Equity Shares	FV (₹)	Issue Price (₹)	Nature of Allotment	Allotted Person	Benefits Accrued to the Company
October 20, 2015	27,18,600	10	Nil	Bonus Allotment	Allotted to all the Shareholders of the Company as on the date of allotment	Expansion of capital

c) No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956.

d) No bonus shares have been issued out of Revaluation Reserves.

e) No shares have been issued at a price lower than the Issue Price within the last one year from the date of this Draft Prospectus except as mentioned below :

Date of Allotment	Name of the Allottees	Number of Shares	Issue Price (₹)	Reasons	Promoter / Promoter Group
March 27, 2015	Sukhdev Singh	12,00,000	10	Further Allotment	Yes

Date of Allotment	Name of the Allottees	Number of Shares	Issue Price (₹)	Reasons	Promoter / Promoter Group
October 20, 2015	Sukhdev Singh	25,77,200	Nil	Bonus Allotment	Yes
	Salwinderjit Kaur	1,30,400			Yes
	Sham Sunder Aggarwal	1,900			No
	Ashwani Kant	1,900			No
	Rajeev Beri	1,800			No
	Gundeep Singh	1,800			No
	Baby Sharma	1,800			No
	Virendra Singh	1,800			No

f) Shareholding of our Promoters

Set forth below are the details of the build-up of shareholding of our Promoters:

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	Face Value (₹)	Issue/ Transfer Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital
Mr. Sukhdev Singh								
July 10, 2012	Subscription to MOA	Cash	5,000	10	10	5,000	0.09%	0.06%
March 30, 2013	Further Allotment	Cash	80,000	10	10	85,000	1.56%	1.08%
July 31, 2013	Further Allotment	Cash	1,50,000	10	10	2,35,000	4.32%	3.00%
March 28, 2014	Further Allotment	Cash	3,88,500	10	10	6,23,500	11.47%	7.96%
March 01, 2015	Transfer	Cash	2,10,000	10	10	8,33,500	15.33%	10.64%
March 27, 2015	Further Allotment	Cash	12,00,000	10	10	20,33,500	37.40%	25.95%
August 26, 2015	Further Allotment	Cash	2,68,700	10	80	23,02,200	42.34%	29.38%
September 19, 2015	Further Allotment	Cash	2,75,000	10	80	25,77,200	47.40%	32.88%
October 20, 2015	Bonus Allotment	Other than Other	25,77,200	10	Nil	51,54,400	94.80%	65.77%
Mrs. Salwinderjit Kaur								
July 10, 2012	Subscription to MOA	Cash	5,000	10	10	5,000	0.09%	0.06%
March 30, 2013	Further Allotment	Cash	10,000	10	10	15,000	0.28%	0.19%
March 28, 2014	Further Allotment	Cash	1,00,000	10	10	1,15,000	2.12%	1.47%
June 10, 2015	Transfer	Cash	9,000	10	10	1,24,000	2.28%	1.58%
August 26, 2015	Further Allotment	Cash	6,400	10	80	1,30,400	2.40%	1.66%
October 20, 2015	Bonus Allotment	Other than Other	1,30,400	10	Nil	2,60,800	4.80%	3.33%

Notes:

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoters' shares shall be subject to lock-in from the date of listing of the equity shares (issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please see Note no. 2 of "Capital Structure" on page no 41 of this Draft Prospectus.

- f) None of the members of the Promoter Group, Directors and their immediate relatives have entered into any transactions in the Equity shares of our Company within the last six months from the date of this Draft Prospectus.
- g) None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Draft Prospectus.

2. Promoters' Contribution and other Lock-In details:

a) Details of Promoters' Contribution locked-in for 3 years

Pursuant to the Regulation 32(1) and 36(a) of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoters shall be considered as promoters' contribution ("**Promoters' Contribution**") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of Promoter	No. of Shares locked in	As a % of Post Issue Share Capital
Mr. Sukhdev Singh	15,00,000	19.14%
Mrs. Salwinderjit Kaur	99,000	1.26%
Total	15,99,000	20.40%

For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired by Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur, please see Note 1(f) under "Notes to Capital Structure" on page no. 40 of this Draft Prospectus.

We confirm that in compliance with regulation 33 of SEBI ICDR Regulations, the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.

The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI (ICDR) Regulations, 2009. The Promoters' Contribution constituting 20% of the post-Issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.

We further confirm that our Promoters' Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds.

b) *Details of Shares locked-in for one year*

- Pursuant to Regulation 37 of the SEBI (ICDR) Regulations, in addition to the Promoters' Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue.
- Pursuant to Regulation 39 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Draft Prospectus, none of the Equity Shares held by our Promoters have been pledged to any person, including banks and financial institutions.
- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 36 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

2. **Pre-Issue and Post Issue Shareholding of our Promoters and Promoters' Group**

Set forth is the shareholding of our Promoters and Promoter Group before and after the proposed issue:

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of Equity Shares	As a % of Pre- Issued Equity	No. of Equity Shares	As a % of Issued Equity
A	Promoters				
1	Mr. Sukhdev Singh	51,54,400	94.80%	51,54,400	65.77%
2	Mrs. Salwinderjit Kaur	2,60,800	4.80%	2,60,800	3.33%
	Total (A)	54,15,200	99.60%	54,15,200	69.10%
B	Promoter Group & Relatives				
	Nil	-	-	-	-
	Total (B)	-	-	-	-
	Grand Total (A+B)	54,15,200	99.60%	54,15,200	69.10%

3. **The top ten shareholders of our Company and their Shareholding is as set forth below:**

- a. The top ten Shareholders of our Company as on the date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Sukhdev Singh	51,54,400	94.80%
2	Salwinderjit Kaur	2,60,800	4.80%
3	Ashwani Kant	3,800	0.07%
4	Sham Sunder Aggarwal	3,800	0.07%
5	Rajeev Beri	3,600	0.07%
6	Gundeep Singh	3,600	0.07%
7	Baby Sharma	3,600	0.07%
8	Virendra Singh	3,600	0.07%
9	-	-	-
10	-	-	-
	Total	54,37,200	100.00%

b. The top ten Shareholders of our Company ten days prior to date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Sukhdev Singh	51,54,400	94.80%
2	Salwinderjit Kaur	2,60,800	4.80%
3	Ashwani Kant	3,800	0.07%
4	Sham Sunder Aggarwal	3,800	0.07%
5	Rajeev Beri	3,600	0.07%
6	Gundeep Singh	3,600	0.07%
7	Baby Sharma	3,600	0.07%
8	Virendra Singh	3,600	0.07%
9	-	-	-
10	-	-	-
Total		54,37,200	100.00%

c. The top ten Shareholders of our Company two years prior to date of this Draft Prospectus are

Sr. No.	Particulars	No. of Shares	% of Shares Pre-Issue Share Capital
1	Sukhdev Singh	2,35,000	51.09%
2	M/s AMS Powertronic Pvt. Ltd	2,10,000	45.65%
3	Salwinderjit Kaur	15,000	3.26%
4	-	-	-
5	-	-	-
6	-	-	-
7	-	-	-
8	-	-	-
9	-	-	-
10	-	-	-
10	-	-	-
Total		4,60,000	100.00%

4. Neither the Company, nor it's Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
5. None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled "Our Management" beginning on page no 93 of this Draft Prospectus.
6. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "Basis of Allotment" in the chapter titled "Issue Procedure" beginning on page no 173 of this Draft Prospectus.
7. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
8. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
9. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead

Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines

10. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
11. As on date of this Draft Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
12. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
13. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
14. Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of this Draft Prospectus the entire pre-issue share capital of the Company has been made fully paid up.
15. Except as disclosed in the Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or issue of bonuses or rights or further public issue of specified securities or Qualified Institutional Placement.
16. We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Draft Prospectus.
17. As on date of this Draft Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.
18. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24hours of such transaction.
19. The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
20. Our Company has Eight (8) shareholders, as on the date of this Draft Prospectus.
21. Our Company has not revalued its assets since incorporation.
22. Our Company has not made any public issue or rights issue since its incorporation.

23. Shareholding Pattern of the Company

The following is the shareholding pattern of the Company as on the date of this Draft Prospectus

Category (I)	Category of Share Holder (II)	No. of Share Holder (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)	Share Holding 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 Under Lying Out Standing Convertible Securities (incl. Warrants) (X)	Share Holding As a % Assuming Full Convertible Securities (as a % of Diluted Share Capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked In shares (XII)		No. of shares Pledged Or Otherwise Encumbered (XIII)		No. of Equity shares Held In De-mat form (XIV)
								No of voting Right		Total As a % of (A+B+C)			No. (a)	As a % of total share held (b)	No. (a)	As a % of total share held (b)	
								Class-Equity	Class								
(A)	Promoter & Promoter Group	2	54,15,200	-	-	54,15,200	99.60%	54,15,200	-	54,15,200	99.60%	-	-	-	-	-	-
(B)	Public	6	22,000	-	-	22,000	0.40%	22,000	-	22,000	0.40%	-	-	-	NA	-	-
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	NA	-	-	-	-	-	-	-	NA	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	-	-
	Total	8	54,37,200	-	-	54,37,200	100.00%	54,37,200	-	54,37,200	100.00%	-	-	-			-

Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoters and Promoter Group”

Sr. No	Name of the Shareholder	Details of Shares held		Encumbered Shares		Details of Warrants / Convertible Securities		Total Shares	
		No. of shares held	As a % of (A+B+C)	No. of shares	As a % of (A+B+C)	No. of Warrants / Convertible Securities	As a % of (A+B+C)	No. of shares	As a % of (A+B+C)
1	Mr. Sukhdev Singh	51,54,400	94.80%	-	-	-	-	51,54,400	94.80%
2	Mrs. Salwinderjit Kaur	2,60,800	4.80%	-	-	-	-	2,60,800	4.80%
	Total	54,15,200	99.60%	-	-	-	-	54,15,200	99.60%

Public Shareholders holding more than 1% of the pre-issue paid-up capital of our Company

Sr. No.	Particulars	No. of Shares	% of Shares Pre-Issue Share Capital
1	Nil	-	-
	Total	-	-

SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Objects of the Issue is to raise funds for the following purposes:

1. Setting up a Wedding Banquet “Marriage Palace” at G.T. Road, Jalandhar, Punjab.
2. General Corporate Purposes

Further, we expect to receive the benefits of listing on the SME Platform of BSE Ltd.

The Main Objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by the Company through the Present Issue. Further, we confirm that the activities that we have been conducting until now are in accordance with the objects clause of our Memorandum of Association.

Issue Proceeds & Net Proceeds

The details of the proceeds of the Issue are set forth in the table below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
(a)	Gross Proceeds from the Issue	960.00
(b)	Less: Issue related Expenses*	60.00
	Net Proceeds from the Issue	900.00

Requirement of Funds

The fund requirements described below are based on management estimates and our Company’s current business plan and have not been appraised by any bank or financial institution.

We intend to utilise the Net Proceeds of the Issue (“Net Proceeds”) of ₹ 900 lakhs for financing the objects as set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	Setting up a Wedding Banquet “Marriage Palace” at G.T. Road, Jalandhar, Punjab.	1,113.00
2	General Corporate Purpose	190.00
	Total	1,303.00

Means of Finance

The Means of Finance for funding the above requirements as estimated by our company are as shown below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	Net Proceeds from the Issue	900
2.	Loan from financial Institution	403
	Total	1,303

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

The fund requirement described below is based on the management estimates and is not appraised by any bank or financial institution. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan and estimates from time to time and consequently our funding requirements and deployment of funds may also change. This may, subject to compliance with applicable laws and regulations,

also include rescheduling the proposed utilization of Issue Proceeds and increasing or decreasing expenditure for a particular object *vis-à-vis* the utilization of Issue Proceeds.

We may have to revise our estimated costs, fund allocation and fund requirements owing to factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular object at the discretion of our management.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable or in case of cost overruns, we expect that the shortfall will be met from internal accruals and/or entering into debt arrangements as required. Any variation in the objects of the Issue shall be undertaken in accordance with the terms of the Companies Act and the rules framed thereunder. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required and general corporate purposes.

In addition, the estimated dates of completion of the dates of completion of projects, as described in this section, are based on management's current expectations and are subject to change due to various factors including those described above, some of which may not be in our control. Accordingly, the net proceeds of the Issue would be used to meet all or any of the uses of the funds described herein.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, for details please refer to the chapter titled "*Risk Factors*" beginning on page no. 9 of this Draft Prospectus.

DETAILS OF THE FUND REQUIREMENTS

1) *Setting up a Wedding Banquet "Marriage Palace" at G.T. Road, Jalandhar, Punjab*

Cost of Project			
Sr. No.	Particulars	(₹ in lakhs)	Remarks
a)	Acquisition of Land Parcel at G.T. Road	763.00	Details as per Table in Point a
b)	Construction and Architecture costs of setting up the "Marriage Palace"	350.00	Details as per Table in Point b
Total		1,113.00	

a) *Acquisition of Land Parcel at G.T. Road Jalandhar, Punjab.*

The primary requirement for setting up a "Marriage Palace" is the acquisition of land needed for it. The land identified for our proposed project is situated at Village Barring, G. T. Road, Jalandhar. Following is the break-up of the cost estimated for acquisition of this land.

Particulars	Amount (₹ in lakhs)	Remarks
Land Parcel of 3,073.15 sq. meters at G. T. Road (inclusive of stamp duty paid for the same)	403.00	Already acquired. Details of the same are disclosed below.*
Land Parcel of 3262.78 sq. meters at G. T. Road	260.00	Based on MOU made between Mr. Pritam Singh and our company dated September 18, 2015
Stamp Duty to be paid for land parcel of 3262.78 sq. mtrs. at G. T. Road	25.00	Based on internal management estimates
Change of Land Use Fee to be paid to relevant authority	65.00	Based on internal management estimates
Contingencies	10.00	Based on internal management estimates
TOTAL	763.00	

*For detail for land acquired refer business

b) Construction and Architecture costs of setting up the “Marriage Palace”

We propose to construct a state-of-the art wedding Banquet “Marriage Palace” on the land acquired. Following is the break up of estimated costs for setting up the same:

Particulars	Amount (₹ in lakhs)	
Boundary Wall	5.45	Based on Quotation by Architect Amit Mehta, vide letter dated January 14, 2016
Land Leveling	6.55	
Construction of Building (4500 Sq. Ft.)	68.00	
Fabrication of Shed (20000 Sq. Ft.)	60.00	
Kitchen Etc.	15.00	
Air Conditioning	30.00	
Land Scraping etc.	10.00	
Water Body	10.00	
Pavers at Parking Place	20.00	
Urinals Etc.	8.00	
False Ceiling and molding etc.	10.00	
Painting	4.00	
Kitchen Utensils	15.00	
Cloth & Linen	15.00	
Crockery & Cutlery (1000 pieces)	25.00	
Electric Fittings	10.00	
Generator	10.00	
Other Misc. Assets	10.00	
Contingencies	18.00	
GRAND TOTAL	350.00	

2) General Corporate Purposes

We propose to deploy the balance Net Proceeds of the Issue aggregating ₹ 190 lakhs towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

Issue Related Expenses

The expenses for this Issue include lead management fees, underwriting and selling commission, registrar’s fees, advertisement and marketing expenses, printing and distribution expenses, legal fees, Stock Exchange Fees, bidding software expenses, depository charges and listing fees to the Stock Exchanges.

The details of the estimated Issue expenses are set forth below:

Issue related expenses activity	Amount (₹ in lakhs)*	As a % of total estimated Issue expenses*	As a % of the Issue Size*
Issue Management fees including underwriting and selling commissions, market making fees, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses	42.70	71.17%	4.45%
Brokerage and Commission	4.80	8.00%	0.50%
Printing & Stationery, Distribution, Postage, etc.	2.50	4.17%	0.26%
Advertisement & Marketing Expenses	2.50	4.17%	0.26%
Regulatory & other expenses	7.50	12.50%	0.78%

Issue related expenses activity	Amount (₹ in lakhs)*	As a % of total estimated Issue expenses*	As a % of the Issue Size*
Total Estimated Issue related Expenses	60.00	100.00%	6.25%

Notes:

- 1) The SCSBs would be entitled to a processing fee of N 25/- per Application Form, for processing the Application Forms procured by the Registered Brokers or the RTAs or CDPs and submitted to the SCSBs.
- 2) The SCSBs, the Registered Brokers, the RTAs and the CDPs will be entitled to a commission of ₹ 50/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange.
- 3) The payment towards commission and processing fees will be completed within 60 days from the date of listing of our Equity Shares on the Stock Exchange.

Further in addition to the above, for the successful allotment under the Issue, the respective intermediaries through whose terminal the Application has been uploaded, shall be entitled to brokage of 0.15% of the amount of shares allotted (inclusive of all applicable taxes), subject to receiving bills from the respective intermediaries to this effect.

Schedule of Implementation

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the Fiscal year 2016-17. The detail of estimated schedule of implementation is as explained below:

Sr. No.	Particulars	Estimated Completion
1.	Acquisition of Land Parcel of 3262.78 sq. meters at G. T. Road	Quarter 1 of F. Y. 2016-17
2.	Construction and Architecture costs of setting up the "Marriage Palace"	Quarter 2 of F. Y. 2016-17

Funds Deployed

M/s. R. S. Kalra and Associates, Chartered Accountant have vide their certificate dated January 14, 2016 certified that as of December 31, 2015 ₹ 403.00 lakhs have been deployed towards the purchase of Land Parcel of 3,073.15 sq. meters at G. T. Road as part of the setting up the "Marriage Palace" as mentioned in this chapter. The certificate further confirms that these funds have been used from the borrowed funds from IIHFL.

Appraisal of the Objects

None of the objects for which the Net Proceeds will be utilised have been financially appraised. The estimates of the costs of objects mentioned above are based on internal estimates of our Company.

Bridge Financing

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds of the Issue. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue. For further details in relation to our borrowing arrangements, kindly refer to the Chapter titled "Financial Indebtedness" beginning on page no 139 of this Draft Prospectus.

Interim Use of Funds

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in Schedule II of the RBI Act. Our Company confirms that it

shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

Monitoring of Utilisation of Funds

There is no requirement for a monitoring agency as the Issue size is less than ₹ 50,000 lakhs. Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Prospectus.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, except for the internal adjustments / deviations between objects mentioned in the Draft Prospectus, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional vernacular language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

Other Confirmations

No second-hand equipment / materials is proposed to be purchased / used out of the Net Proceeds. Further, the Promoters, Directors, Key Managerial Personnel, Senior Management Personnel and the Group Companies do not have any existing or anticipated interest in the proposed acquisition of the equipments and items or in the entity from whom we have obtained quotations for the same.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Issue Price is ₹ 40 per Equity Shares and is 4 times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on page nos. 9, 113 and 70 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

We believe that the following strengths help differentiate us from our competitors and enable us to compete successfully in our industry:

- ✓ Established Brand Name of AGI Group
- ✓ Well qualified and Experienced Management Team
- ✓ Locational Advantage
- ✓ Asset based model which allows future appreciation benefits and ability to raise debt.

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see “Business Overview – Our Strengths” on page no 71 of this Draft Prospectus.

Quantitative Factors

Information presented in this chapter is derived from our unconsolidated and consolidated restated financial statements prepared in accordance with Indian GAAP.

1) Earnings per Share (EPS)

Year ended March 31	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
2015	(9.25)	(9.25)	1
Weighted Average	(9.25)	(9.25)	

Basic and Diluted EPS for the six months period ended September 30, 2015 was ₹ (2.48).

Notes:

- a. Basic EPS has been calculated as per the following formula:
(Net profit/ (loss) as restated, attributable to Equity Shareholders)/ (Weighted average number of Equity Shares outstanding during the year/period)
- b. Diluted EPS has been calculated as per the following formula:
(Net profit/ (loss) as restated, attributable to Equity Shareholders) / (Diluted weighted average number of Equity Shares outstanding during the year/period)
- c. Earnings per share calculations are in accordance with Accounting Standard 20 “Earnings per Share” prescribed by the Companies (Accounting Standard) Rules, 2006
- d. The face value of each Equity Share is ₹ 10.

2) Price Earnings Ratio (P/E) in relation to the Issue price of ₹ 40 per share of ₹ 10 each

Particulars	P/E Ratios
P/E ratio based on basic EPS for the Fiscal 2015 at the Issue Price	N.A. ⁽¹⁾
P/E ratio based on diluted EPS for the Fiscal 2015 at the Issue Price	N.A. ⁽¹⁾
Industry P/E	42.30

Source: Capital Market Vol. XXX/23 Jan 04-17, 2016; Segment – Hotels.

⁽¹⁾ The EPS being negative the P/E ratio is not applicable as it does not give a realistic value and hence the same is not derived.

3) Return on Networth (RoNW)

Year ended March 31	RoNW (%)	Weight
2015	(72.43)%	1
Weighted Average	(72.43)%	

RoNW for the six months period ended September 30, 2015 was (10.87)%.

Note: Return on Net worth has been calculated as per the following formula:
Net profit/loss after tax, as restated / Net worth excluding preference share capital and revaluation reserve

4) Minimum Return on Net Worth after Issue needed to maintain the Pre-Issue Basic and Diluted EPS for the year ended March 31, 2015 (based on Restated Financials) at the Issue Price of ₹ 40 – N.A.

5) Net Asset Value (NAV)

Particulars	NAV (in ₹)
NAV as at September 30, 2015	18.77
NAV as at March 31, 2015	5.80
Issue Price	40.00
NAV after the Issue	18.76

Note: Net Asset Value has been calculated as per the following formula:
Net worth excluding preference share capital and revaluation reserve/weighted average number of Equity shares outstanding during the year/period.

6) Comparison with Industry peers

Particulars	F.Y. 2014-2015				
	Face Value (₹)	Basic EPS (₹)	P/E Ratio	RONW (%)	NAV (₹)
Indian Hotels Co. Ltd	1	-	-	-	32.40
Kamat Hotels (India) Ltd	10	-	-	-	(11.40)
Sayaji Hotels Ltd	10	-	-	-	47.20
The Byke Hospitality Ltd	10	4.8	25.6	21.7	25.00
<i>Source: Capital Market Vol. XXX/23 Jan 04-17, 2016; Segment – Hotels.</i>					
AGI Hospitality Ltd.	10	(9.25)	N.A. ⁽¹⁾	(72.43)%	5.80

⁽¹⁾ The EPS being negative the P/E ratio is not applicable as it does not give a realistic value and hence the same is not derived.

7) The Company in consultation with the Lead Manager believes that the issue price of ₹ 40 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is 4 times of the face value i.e. ₹ 40 per share.

BASIC TERMS OF ISSUE

Terms of the Issue

The Equity Shares, now being offered, are subject to the terms and conditions of this Draft Prospectus, the Application form, the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, BSE, RBI, ROC and / or other authorities as in force on the date of the Issue and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009 notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

Authority for the Issue:

The present issue has been authorized pursuant to a resolution of our Board dated January 09, 2016 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held with a shorter notice on January 09, 2016.

Other Details

Face Value	The Equity Shares having a face value of ₹ 10 each are being offered in terms of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.
Issue Price	The Equity Shares pursuant to this Draft Prospectus are being offered at a price of ₹ 40 each.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 3,000 (Three Thousand) and in multiples of 3,000 thereafter; subject to a minimum allotment of 3,000 Equity Shares to the successful applicants.
Terms of Payment	Applications should be for a minimum of 3,000 equity shares and 3,000 equity shares thereafter. The entire price of the equity shares of ₹ 40 per share (₹ 10 face value + ₹ 30 premium) is payable on application. In case of allotment of lesser number of equity shares than the number applied, the excess amount paid on application shall be refunded by us to the applicants.
Ranking of the Equity Shares	The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank <i>pari-passu</i> in all respects including dividends with the existing Equity Shares of the Company. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 of the Companies Act, 2013

STATEMENT OF POSSIBLE TAX BENEFITS

To
The Board of Directors
AGI Hospitalities Limited
Opp. Circle Office Education Office,
Ladowali Road,
Jalandhar City.

Dear Sirs,

Sub: Statement of possible tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws

We hereby confirm that the enclosed annexure, prepared by the Management of **AGI Hospitalities Limited** ('the Company'), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), presently in force in India. 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 which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the enclosed statement 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. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been/would be met.

The contents of this annexure 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 and the provisions of the tax laws. The same shall be subject to notes to this annexure.

No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to **AGI Hospitalities Limited** for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

For **M/s. R.S. Kalra & Associates,**
Chartered Accountants
Firm Registration No.007744N

R.S. Kalra (F.C.A)
Membership No. 086488

Place: Jalandhar
Date: January 14, 2016

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO AGI HOSPITALITIES LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2015-16.

BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

1. General tax benefits

A. Dividends

As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. Such dividend is to be excluded while computing Minimum Alternate Tax (MAT) liability.

The Company distributing dividend to its shareholders will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend..

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plus surcharge and education cess).

B. Buy Back of Shares

As per section 115QA of the Act, an Indian unlisted company will have to be pay 20% tax on ‘distributed income’ on buyback of shares. Distributed income has been defined to mean consideration paid by the Indian unlisted company for purchase of its own shares as reduced by the amount which was received by the Indian unlisted company at the time of issue of such shares. The said provision has come into effect from June 1, 2013.

Such tax is payable by the company notwithstanding that no income tax is payable on its total income. No deduction shall be allowed to the company or shareholder in respect of the income which has been subject to such distribution tax or the tax thereon.

C. Business Income

The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

D. MAT Credit

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax (‘MAT’) paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.
- As per Section 115JB, Minimum Alternate Tax (‘MAT’) is payable @18.5% of the Book profits computed in accordance with the provisions of this section, where income-tax computed under the normal provisions of the Act is less than 18.5% of the Book profits as computed under the said section. A surcharge on income tax of 5% would be levied if the total income exceeds ₹ 100 lakhs but does not exceed ₹ 1000 lakhs. A surcharge at the rate of 10% would be levied if the total income

exceeds ₹ 1000 lakhs. Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge.

- MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to ten years succeeding the assessment year in which the MAT credit arises.

E. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as long - term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- Short - term capital gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.

- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long – term capital assets other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by:
 1. National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
 2. Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed ₹ 50,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

F. Securities Transaction Tax

As per provisions of Section 36(1) (xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head ‘Profit and gains of business or profession’. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

BENEFITS TO THE RESIDENT MEMBERS / SHAREHOLDERS OF THE COMPANY UNDER THE ACT

A. Dividends exempt under section 10(34) of the Act

As per the provisions of Section 10(34) of the Act, dividend(both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

B. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than

twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long - term capital assets.

- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- As per first proviso to Section 48 of the Act, the capital gains arising on transfer of share of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration receiving or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% (plus applicable surcharge and cess) with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% (plus applicable surcharge and cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains arising from income – tax

- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long - term asset cannot exceed ₹ 5,000,000 per assessee during any financial year.

- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

C. Tax Treaty Benefits

As per provisions of Section 90 (2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial.

D. Non-Resident Taxation

Special provisions in case of Non-Resident Indian ('NRI') in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.
- Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.
- As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively).
- As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.
- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income

derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

- As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FIIS') UNDER THE ACT

A. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 12% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

B. Long – Term Capital Gains exempt under section 10(38) of the Act

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

C. Capital Gains

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB & certain securities & government Bonds as mentioned in section 194LD) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Interest on certain securities & government bonds as mentioned in section 194LD is taxable @5% only.
- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10%
STCG on sale of equity shares subjected to STT	15%
STCG on sale of equity shares not subjected to STT	30%

- For corporate FIIs, the tax rates mentioned above stands increased by surcharge (as applicable) where the taxable income exceeds ₹ 10,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.
- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

D. Securities Transaction Tax

As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or

profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains

E. Tax Treaty benefits

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial to them.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors

BENEFITS AVAILABLE TO MUTUAL FUNDS UNDER THE ACT

- a) Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.
- b) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

Note: All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

For M/s. **R.S. Kalra & Associates,**
Chartered Accountants
Firm Registration No.007744N

R.S. Kalra (F.C.A)
Membership No. 086488

Place: Jalandhar
Date: January 14, 2016

SECTION V – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this chapter has been extracted from the websites of and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Issue has independently verified the information provided in this chapter. Industry sources and publications, referred to in this chapter, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

OVERVIEW OF THE GLOBAL AND INDIAN ECONOMY

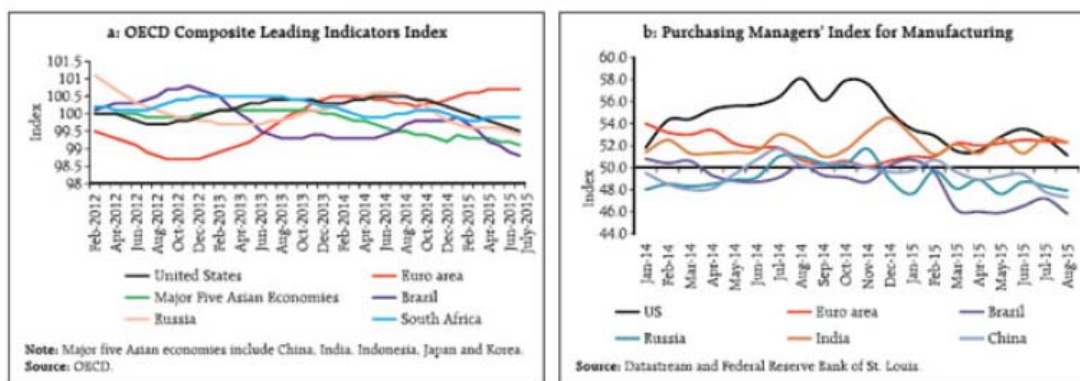
Global Scenario

In the United States, the robust pick-up in economic activity in Q2 lost some momentum in Q3, reflecting slowing manufacturing and exports, and cuts in energy sector capital expenditure. In the Euro area, the modest recovery that set in during the first half of 2015 firmed up in Q3 on lower energy prices and gradual pickup in bank lending to the private sector. Activity in the UK was sustained by the strength of domestic demand, especially consumption, while exports continued to contract, hurt by appreciation of the sterling. The Japanese economy has weakened further - following the contraction in Q2 - due to slackening consumer spending and shrinking exports.

Most EMEs have slowed down further, albeit at varying speeds, due to a combination of adverse factors - falling commodity prices, tighter external financial conditions, geo-political concerns and country-specific structural fragilities – further compounded by the slowdown in China. High frequency indicators, including purchasing managers indices, industrial production and imports point to further deceleration in Q3 in China in an environment of slowing residential construction activity, declining investment efficiency and rising debt levels. The recession in Brazil and Russia is set to deepen further, amidst falling commodity prices and high inflation weighing on consumer and investment demand. South Africa is on the edge of recession as power shortages become binding amidst weak global demand and rising labour cost.

	(Per cent)				
	Q3-2014	Q4-2014	Q1-2015	Q2-2015	2015 (P)
Advanced Economies					
US	4.3	2.1	0.6	3.9	2.5
Euro Area	1.2	1.6	2.0	1.6	1.5
Japan	-1.1	1.3	4.5	-1.2	0.8
UK	2.8	3.2	1.6	2.8	2.4
Canada	3.2	2.2	-0.8	-0.5	1.5
Korea	3.2	1.2	3.2	1.2	3.3
Emerging Market Economies (EMEs)					
China	7.6	6.0	5.6	6.8	6.8
Brazil	0.4	0.2	-2.8	-7.6	-1.5
Russia	-1.3	-2.8	-6.3	-8.0	-3.4
South Africa	2.1	4.1	1.3	-1.3	2.0
Thailand	4.0	4.4	1.2	1.6	3.7
Malaysia	3.6	7.2	4.8	4.4	4.8
Mexico	2.4	2.8	1.7	2.0	2.4
Saudi Arabia*	5.9	10.7	4.0	-5.4	2.8
Memo					
	2014		2015P		2016 P
World Output	3.4		3.3		3.8
World Trade Volume	3.2		4.1		4.4

Chart V.1: Movement in Lead Indicators

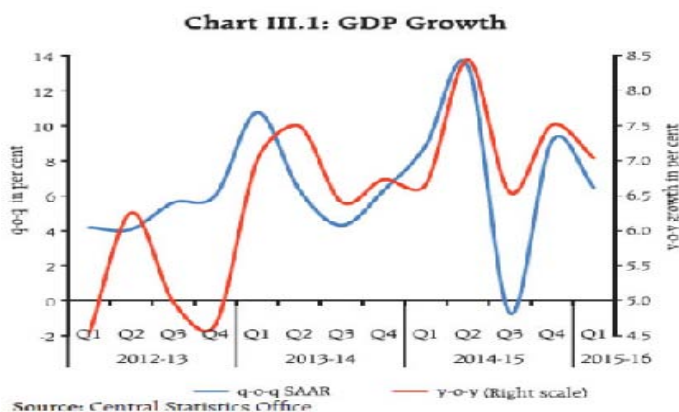


(Source: Monetary Policy Report, issued by RBI on September, 2015)

Indian Scenario

Macroeconomic developments in the first half of 2015-16 have evolved in close alignment with baseline forecasts. Going forward, inflation is projected to stay below the January 2016 target in 2015-16 and ease further in 2016- 17. The projection of growth is revised downward for 2015-16, with some firming in the following year. Over the first half of 2015-16 (April-March), macroeconomic developments have evolved in close consonance with staff’s baseline forecast paths set out in the April 2015 Monetary Policy Report (MPR).

Aggregate demand measured by year on year changes in real GDP moderated sequentially in Q1 of 2015-16 in relation to the preceding . Seasonally adjusted, the qoq slowdown in GDP in Q1 was even sharper (Chart III.1). Underlying this deceleration, government consumption expenditure did not exhibit the usual rebound that was expected in Q1 from cutbacks in the preceding quarter (Q4 of 201415) to meet annual fiscal targets. Furthermore, the contribution of net exports to aggregate demand turned modestly negative in Q1 of 2015-16 with the export contraction deepening as external demand fell away. On the other hand, the contribution of private consumption demand held up sequentially, supported by real income gains accruing from the ongoing disinflation. Alongside, the growth of gross fixed capital formation picked up, increasing its contribution to aggregate demand as the unclogging of stalled projects continued and input costs declined as global commodity prices softened.



(Source: Monetary Policy Report, issued by RBI on September, 2015)

Gross tax revenues have risen robustly this year so far, led by excise duty collections which expanded by 69.7 per cent during April - August. The buoyancy in excise revenue primarily reflects resource mobilization efforts in the form of increases in excise duty on petrol and diesel between November 2014 and January 2015, an increase in the clean energy cess and withdrawal of exemptions for motor vehicles, capital goods and consumer durables. Excluding these ‘rate hike effects’, excise duty collections would have grown by 9 per cent. Service tax collections rose 21.6 per cent in April - August, again reflecting the increase in service tax rates (inclusive of education cess) effected in June. Direct taxes – accounting for 42 per cent of total tax collections – were subdued through April - July. Staggered receipts from spectrum auctions conducted in March 2015 boosted nontax revenue, while disinvestment proceeds from stake sale also provided a measure of fiscal support.

Table III.2 : Key Fiscal Indicators Central Government Finances		
(per cent)		
Indicators	Actual as per cent of Budget Estimate (April-July)	
	2014-15	2015-16
1. Revenue Receipts	14.8	18.3
a. Tax Revenue (Net)	15.0	16.7
b. Non-Tax Revenue	13.5	24.9
2. Total Non-Debt Receipts	14.2	17.7
3. Non-Plan Expenditure	30.5	33.8
a. Revenue Account	30.3	33.9
b. Capital Account	32.1	32.4
4. Plan Expenditure	23.0	33.9
a. Revenue Account	22.9	32.2
b. Capital Account	23.1	38.2
5. Total Expenditure	28.1	33.8
6. Fiscal Deficit	61.2	69.3
7. Revenue Deficit	70.4	77.6
8. Primary Deficit	198.1	258.7

Source: Controller General of Accounts, Government of India

(Source: Monetary Policy Report, issued by RBI on September, 2015)

In the context of the slowdown in economic activity in India, attention has been drawn to the sensitivity of aggregate demand to interest rates. Estimation of IS-type aggregate demand functions over time suggests that sensitivity of the output gap to real interest changes has increased. Every percentage point increase in the real interest rate gap reduces the output gap by 10-13 basis points in the short run and by up to 25-50 basis points in the long-run. There are, however, non-linearities involved.

(Source: Monetary Policy Report, issued by RBI on September, 2015)

INDIAN HOSPITALITY INDUSTRY

India has the potential to become the number one tourist destination in the world with the demand growing at 10.1 per cent per annum, the World Travel and Tourism Council (WTTC) has predicted. The WTO (World Travel Organisation) predicts that India will receive 25 million tourists by year 2015. The earlier setbacks in global tourism have strengthened the Department of Tourism's resolve to promote India's tourism through aggressive marketing strategies through its campaign 'Incredible India'.

India currently has over 200,000 hotel rooms spread across hotel categories and guest-houses and is still facing a shortfall of over 100,000 rooms. The country is witnessing an unprecedented growth in hotel constructions and will be adding almost 114,000 hotel guest rooms to its inventory over the next five years.

Classification of hotels

The Ministry of Tourism has formulated a voluntary scheme for classification of operational hotels into different categories, to provide contemporary standards of facilities and services at hotels. Based on the approval from the Ministry of Tourism, hotels in India can be divided into two categories:

- 1) DoT (Department of Tourism) classified hotels
- 2) DoT (Department of Tourism) unclassified hotels

Classified hotels

Hotels are classified based on the number of facilities and services provided by them. Hotels classified under the Ministry of Tourism enjoy different kinds of benefits such as tax incentives, interest subsidies, and import benefits. Due to lengthy and complex processes for such classification, a significant portion of the hotels in India still remain unclassified. The Ministry of Tourism classifies hotels as follows:

- Star category hotels
- Heritage hotels
- Licensed units

Star category hotels

Within this category, hotels are classified as five-star deluxe, five-star, four-star, three-star, two-star and one-star.

Heritage hotels

These hotels operate from forts, palaces, castles, jungles, river lodges and heritage buildings. The categories within heritage classification include heritage grand, heritage classic and heritage basic.

Licensed units

Hotels/establishments, which have acquired approval/license from the Ministry of Tourism to provide boarding and lodging facilities and are not classified as heritage or star hotels, fall in this category. These include government-approved service apartments, timesharing resorts and bed and breakfast establishments.

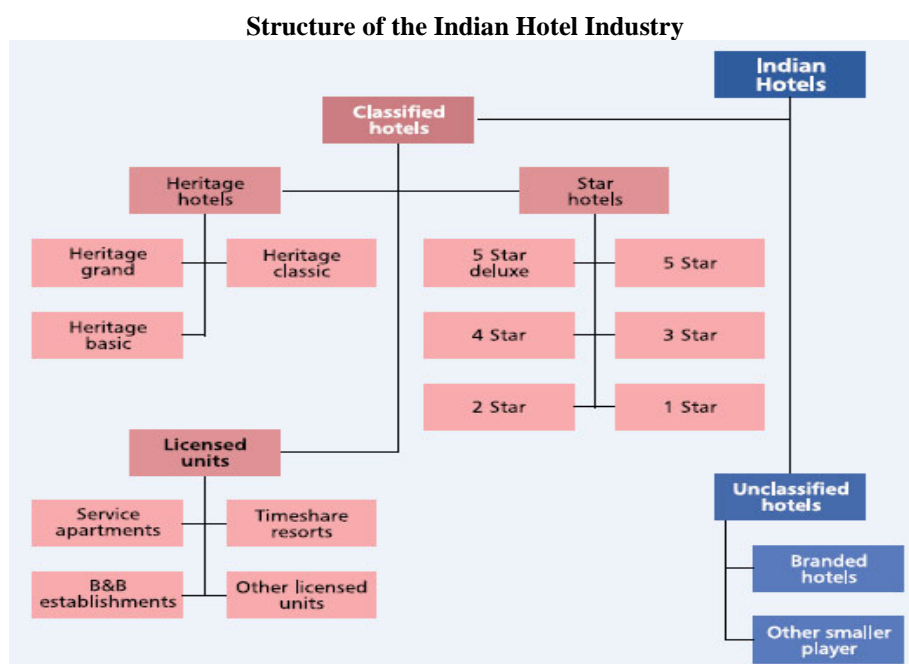
Unclassified hotels

Branded players

This segment mainly represents the branded budget hotels in the country, which bridge the gap between expensive luxury hotels and inexpensive lodges across the country. Budget hotels are reasonably priced and offer limited luxury and decent services. Increased demand and healthy occupancy have fuelled growth of budget hotels.

Other smaller players

These are small hotels, motels and lodges that are spread across the country. This segment is highly unorganized and low prices are their unique selling point.

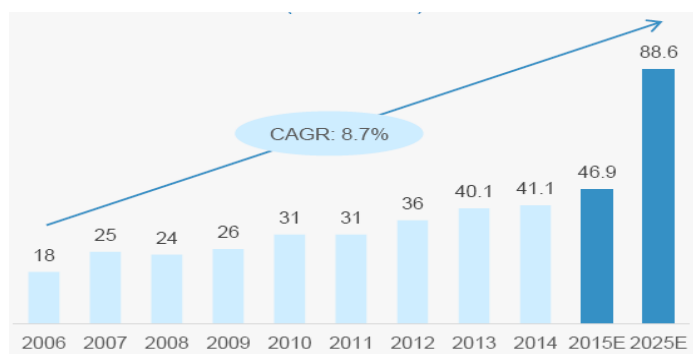


(Source: D&B report on Indian Travel, Tourism and Hospitality Industry)

Direct contribution of tourism and hospitality to GDP

Tourism in India accounts for 7.5 per cent of the GDP and is the third largest foreign exchange earner for the country. The tourism and hospitality sector's direct contribution to GDP is estimated to be USD46.9 billion by 2015. Over 2006–15E, direct contribution is expected to register a CAGR of 11.2 per cent. The direct contribution of travel and tourism to GDP is expected to grow 7.2 per cent per annum from 2015 – 25 to USD88.6 billion (2.5 per cent of GDP) in 2025.

Direct contribution of tourism and hospitality to GDP (USD billion)

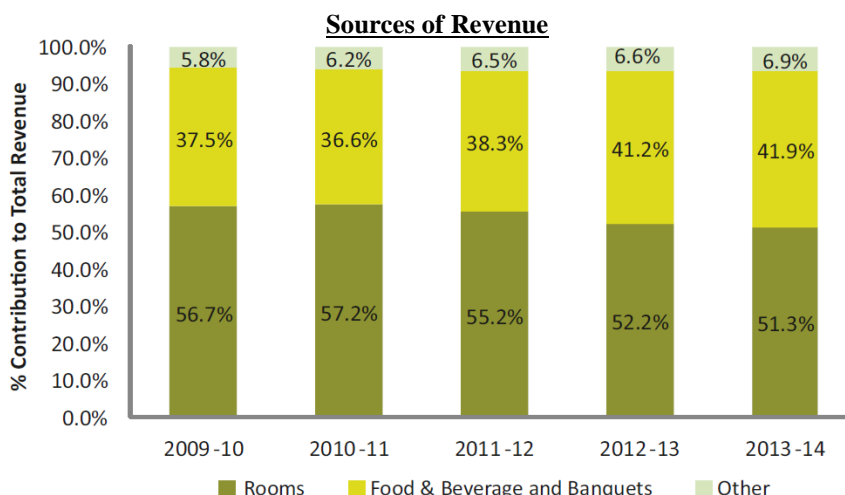


(Source: IBEF report on Tourism and Hospitality, August 2015)

Indian Hotel Industry Performance – Country Trends

Increasing Contribution of Non-Rooms Revenue:

There has been a continued change in the revenue composition over the past few years. Although ARR's saw a marginal increase, the trend of declining revenues from the Rooms division continued in 2013-14, falling from 52.2% in 2012-13 to 51.3% in 2013-14. The contribution of Food and Beverage (F&B) revenue, on the other hand, has increased marginally from 41.2% in 2012-13 to 41.9% in 2013-14 with rising contribution from Banquets and Conferences. Additionally, Other revenue that includes laundry, gift shop, business centre, health club and rentals also saw a slight growth from 6.6% in 2012-13 to 6.9% in 2013-14.



(Source: FHRAI Report on Indian Hotel Industry Survey 2013-2014)

Foreign Arrivals Are Rising:

Over 7.757 million foreign tourist arrivals are expected in 2015. Foreign tourist arrivals increased at a CAGR of 7.1 percent during 2005–15E. By 2025, foreign tourist arrivals are expected to increase to 15.3 million, according to the World Tourism Organisation. During January-April 2015, foreign exchange earnings from tourism were USD 6.815 billion as compared to USD 19.7 billion in 2014, registering a drop of 65.3 percent. Foreign exchange earnings increase data CAGR of 10.8 per cent during 2006–14.

Foreign tourists arriving in India (million)



(Source: IBEF report on Tourism and Hospitality, August 2015)

Incredible India: An Incredible Success

Incredible India is a marketing campaign launched by the Government of India in 2002 to promote India as a tourist destination internationally. Foreign tourist arrivals increased at a CAGR of 7.1 percent during 2005-25E to 15.3 million by the end of 2025. India currently attracts 0.63 percent of tourists from world over; the government aims to increase it to 1 percent.

In 2015, Ministry of Tourism has launched new TV advertisement campaign through which four films have been made on the theme of 'Adithi Devo Bhava' which spreads awareness that conveys on how to extend hospitality by adopting friendly attitude towards tourists visiting India.

(Source: IBEF report on Tourism and Hospitality, August 2015)

INDIAN WEDDING INDUSTRY

Weddings are the most important event of an Indian's life. The Wedding event is one of the biggest celebrations of the family and it is indeed a great memorable day for the bride and groom and for all those sharing their joyous moments with them. According to Conde Naste India, the average Indian spends a staggering one-fifth of the wealth accumulated in his lifetime on a son or daughter's wedding, second only to the investment made in the family home.

Currently, the Indian wedding industry is over Rs 100,000 crore and is growing at 25 to 30 per cent annually. The estimated cost of a wedding with no expenses spared could be between Rs 5 lakh to Rs 5 crore, in India. With each passing year, Indian weddings are getting bigger and better offering lucrative business opportunity to players involved. Currently, the country has a population of around 1.25 billion and considering an average family with five members, there are around 250 million families in India. With about one marriage per family every 20 years, the country averages roughly 10 million marriages every year. An average 30 to 40 grams of gold is spent in every marriage across the country, thus the total consumption of gold comes between 300 to 400 tonnes annually.

(Source: <http://retail.franchiseindia.com/article/whats-hot/trends/The-Flourishing-Indian-Wedding-Industry.a247/>)

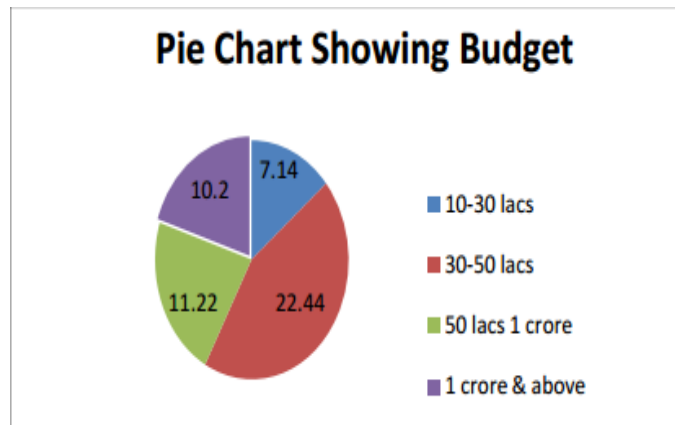
It is also expected, the per capita income will be tripled in a couple of decades and the per capita consumption of gold during weddings or otherwise will increase. With half of India's population being under 29 years of age, the marriage market is set to boom like never before over the next five to ten years. If we take the above figures, it means the Indian marriage market is around Rs 1 lakh crore to Rs 300,000 crore annually, if one crore marriages are solemnized in the country annually.

(Source: <http://retail.franchiseindia.com/article/whats-hot/trends/The-Flourishing-Indian-Wedding-Industry.a247/>)

Some of the other key statistics regarding the Indian Wedding Industry are as shown below:

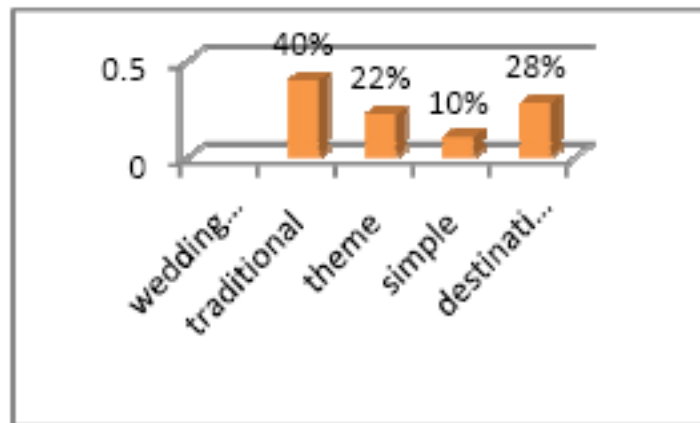
Based on a sample study conducted in Northern India by the International Journal of Technology Innovations and Research (IJTIR) the wedding budget of different individuals showed the following trend as per report dated April 2014:

Budget:



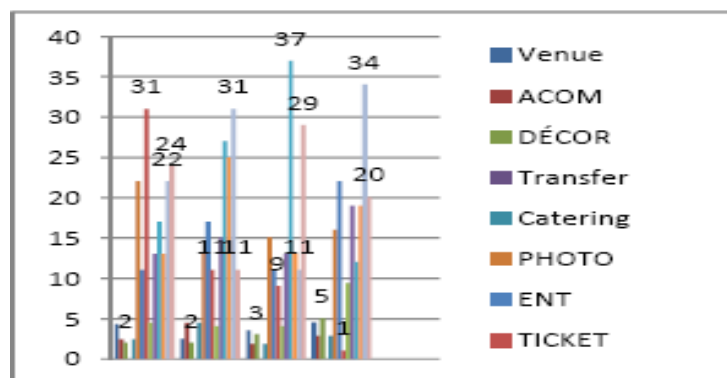
Source: <http://ijtir.hctl.org>

Type of Wedding Preferred:



Source: <http://ijtir.hctl.org>

Importance of various services required during the wedding: Venue booking was the most crucial of the wedding related items.



Source: <http://ijtir.hctl.org>

OUR BUSINESS

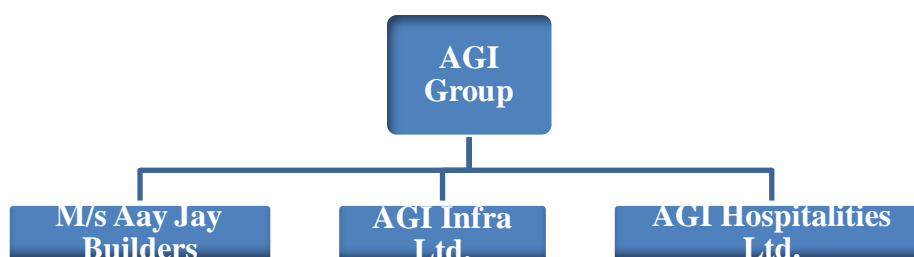
This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled ‘Risk Factors’ and ‘Financial Information’ and the chapter titled ‘Management Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page nos. 9, 113 and 130 respectively, of this Draft Prospectus. Unless the context otherwise requires, in relation to business operations, in this chapter of this Draft Prospectus, all references to “we”, “us”, “our” and “our Company” are to AGI Hospitalities Limited, unless stated otherwise.

OVERVIEW

About the AGI Group

The AGI Group is a reputed Punjab based group having its presence in the construction industry for more than 2 decades. The AGI Group has delivered a number of high-rise buildings in Punjab which includes Residential flats, Hotels, Educational blocks and Auditorium for Universities, Hospitals, Hostels for Medical colleges, Commercial Complex, Police Stations, Schools, Shopping Malls, Auto showroom etc. Our residential portfolio currently covers projects catering to customers across all income groups. We believe that we have established a successful track record in the real estate industry in Punjab by developing versatile projects through our focus on innovative architecture, strong project execution and quality construction.

The AGI Group comprises of three Companies / Entities as illustrated below:



M/s. Aay Jay Builders is a proprietary firm of our Promoter (Mr. Sukhdev Singh) and has a long standing track record of delivering quality infrastructure and construction projects in and around Punjab. Some of the construction projects executed in the last three years are mentioned below –

- 1) Lovely University: Seven educational Blocks having covered area of approximately 10,00,000 sq. ft.
- 2) Punjab Agriculture University: A state of Art Auditorium in Ludhiana, having seating capacity of 1500 persons.
- 3) Saffron Group: A commercial building in Jalandhar, having covered area of 1,25,000 sq. ft.
- 4) Santoor International Public School: A school building in Madhpur, Pathankot, having covered area of 1,00,000 sq. ft.
- 5) M/s MBD Printographics: A Paper Mill in Gagret, Himachal Pradesh
- 6) BBC Heart Care Hospital: A Multispecialty Hospital in Jalandhar, having a capacity of 300 beds.

AGI Infra Ltd is an integrated construction and real estate development company, focussed primarily on construction and development of commercial / residential projects, in and around Punjab. This company has successfully completed a Group Housing Project - “G. I. Apartments” comprising of 78 flats at the Phagwara District, Kapurthala in 2009. In 2011, AGI Infra Ltd. launched its flagship Group Housing Project – “Jalandhar Heights” which has received a very good response and has delivered nine residential towers and other phases of construction are underway. AGI Infra Ltd. has completed a successful IPO in 2014 and is listed on the SME platform of BSE. The current market capitalisation of this company is more than ₹ 100 crores.

About our Company

AGI Hospitalities Ltd., incorporated in the year 2012, is the Hospitalities Arm of the group. This company is currently running a Hotel, namely, “AGI Inn”, comprising of 16 rooms in Jalandhar, since 2014.

“The AGI Inn”, Jalandhar has a unique combination of state of the art interiors and old world hospitality services culture. It caters to the domestic as well as international tourist or business travelers. As part of the AGI inn, we are

currently operating various F&B outlets namely “Sky Lounge”, “Flavors” and “Alcove” and various banquet facilities namely “Empress”, “Princess” and “Ruby” which cater to different dining experiences as well as varied type of events. We have also acquired land parcel admeasuring 229.93 sq. meters adjacent to our hotel – “AGI Inn” for future expansion purposes.

Our long term focus is on the F&B and Banquet businesses which we believe have a higher demand and better profitability as compared to the lodging business in general and hence we have also acquired 3 different shops at “AGI Business Centre” on Garha Road, Jalandhar which we may in the future be able to convert into restaurants or catering outlets. These shops are currently leased out on rent to outside parties for rental income. We also plan to concentrate on the fast growing wedding market in Northern India and we are hence setting up a banquet hall and wedding palace at G.T. Road in Jalandhar for which we have already acquired 3073.08 sq. meters of land and the remaining land of 3262.78 sq. meters and construction cost is being proposed to be completed from the net proceeds of the issue. For further details please refer to “Objects of the Issue” beginning on page no 47 of this Draft Prospectus.

As on 30th November, 2015 we employ 28 people on our payroll, all of whom are currently dedicated to our varied offerings at AGI Inn.

OUR STRENGTHS

Today’s dynamic markets and changing technologies have called into question the sustainability of a competitive advantage. We believe that the following competitive advantages of our Company would ensure our survival and help us attain a prominent position in the market:

Established Brand Name of AGI Group

Having been in the construction industry for over 2 decades, the AGI Group has delivered a wide variety of construction and infrastructure projects in Punjab. The AGI Group has an accredited name and reputation for quality in the construction industry. This past execution track record would ensure that any new project that we set up would always have an edge when it comes to its construction and development efficiency. Further, we believe that the goodwill accumulated by the AGI Group over the years, will help us in not only creating a loyal customer base for our Hospitality based Projects too but also in future tie-ups for finance and with suppliers. Hence, we believe that having an already established brand name provides us with significant competitive advantages.

Well qualified and Experienced Management Team

Our Company is managed by a team of professionals led by Mr. Sukhdev Singh who has been associated with the infrastructure industry for over 2 decades. Our Promoter and our Key Managerial Personnel have the requisite educational qualifications and experience to manage the current scale of business as well as the expansion plans for the future. For further details on our Promoter-Directors and our Key Managerial Personnel, please see “Our Management” on page no 93 of this Draft Prospectus.

Locational Advantage

One of the key success metrics for operating in the hotel industry is the location of the hotel. Accordingly, our existing hotel property “AGI Inn” at Jalandhar is located in the prime business location of the city, within close proximity to commercial and shopping destinations, the city railway station and bus stand thus offering convenience to our guests. Further, our property at G.T. Road, where we propose to set up our Wedding Palace is located in the prime upmarket area of the city, perfectly slated to become the preferred location for wedding and other functions in and around Jalandhar.

Asset based model which allows future appreciation benefits and ability to raise debt

Currently we have assets worth ₹ 621.40 lakhs on our books and we intend to buy assets worth ₹ 365.00 through this IPO. These assets comprise of different Land parcels at various locations aggregating to 4,472.75 sq. meters and these assets shall appreciate in value over time allowing for future ability to collateralize the same and raise additional debt as and when required. We believe that our asset based model as compared to the lease-based model followed by other hospitality groups provides us leverage for future expansion and growth.

OUR STRATEGIES

Increase focus on fast growing wedding segment in India

Weddings are the most important event of an Indian's life. According to Conde Naste India, the average Indian spends a staggering one-fifth of the wealth accumulated in his lifetime on a son or daughter's wedding, second only to the investment made in the family home. Currently, the Indian wedding industry is over Rs 100,000 crore and is growing at 25 to 30 per cent annually. The estimated cost of a wedding with no expenses spared could be between Rs 5 lakh to Rs 5 crore, in India. We currently intend to purchase land of approximately 3262.78 sq. meters adjacent to our hotel for the purpose of making it a banquet hall. We believe that with the growing wedding market, not only we will benefit from the banquet revenue, but will also boost our F & B, and hotel business as wedding guests will need rooms to stay and our F & B to provide food for the weddings.

Increase focus on F & B make our restaurant under a separate brand

We intend to increase focus on F&B and we believe that it is a fast growing high margin growth area. We have acquired two shops which are currently leased out. However, we intend to convert these properties into restaurants in the future thus increasing our focus on high margin business. Also, we believe that due to growth of our wedding segment we will be able to increase our revenues from F & B by offering catering services. Our corporate goal is to set up chain of restaurants with the AGI brand and thus have presence in Hotels, Banquets and restaurants covering a big portion of the hospitality sector.

Improve our marketing abilities through online agents and websites

With the increasing concentration of sales through online media, we intend to increase our marketing abilities on the online platforms. Today, majority hotel bookings are made online. Even F& B reservations, food orders and other services are booked through online portals. Though we have tie-ups with some online travel websites for booking of our hotels, we intend to extend such tie-ups to cover all available travel sites. Also, we intend to include online booking on our website itself, which will provide our patrons with better comfort and trust. The various e-travel and e-food websites are the ideal platform to market our services to various corporate and family groups who prefer the convenience of online booking.

DETAILS OF OUR BUSINESS

We currently operate one hotel in district Jalandhar in the state of Punjab by the name of AGI Inn.

AGI Inn



This is the first hotel set up by us and commenced operations in the year 2014. The AGI Inn, Jalandhar is a state of the art hotel, which has sixteen tastefully decorated rooms, three F&B outlets and three banquet halls and caters to the domestic as well as international tourist, business travellers as well as domestic residents.

Ownership

The AGI Inn Hotel Building and all the amenities are constructed and owned by AGI Hospitality Ltd. However, the land on which the hotel stands belongs to our Promoter director Mr. Sukhdev Singh and is currently leased out to us by him via Rent Agreement dated September 01, 2015

Location

The AGI Inn is located on the Ladowali Road, opposite Circle Education Office, Jalandhar which is around 1 km from the Railway Station, 1.50 kms from the Bus Stand. The AGI Inn, even though being located in the vicinity of the city, offers our customers a quiet and peaceful experience mixed with old world hospitality.

Rooms



AGI Inn has a collection of 16 rooms operational currently. All rooms are Premium rooms having synonymous features. These rooms offer an option of twin beds or a king size bed.

Room Features

All rooms in AGI Inn are equipped with:

- In Room Mini Bar
- Free High Speed Internet Access
- A Large Screen LED Television
- Electronic Safe
- Hot/ Cold Water Facility

Food and Beverage Outlets

The AGI Inn, Jalandhar has three food and beverage outlets:

1. Sky Lounge
2. Flavors
3. Alcove

1. Sky Lounge



Set on the fourth floor of the AGI Inn, on a roof top with panoramic countryside views, this is a mutli cuisine restaurant offering Punjabi, Italian and Continental food.

Facilities at Sky Lounge:

- Giant Screen LCD Projector with HD Clarity
- Live Kitchen
- At Site cooking / Bar-B-Q on Prior Order
- Options for DJ/ Live Band / Various Events
- Fresh Draught beer from Brewmaster
- Exotic Cocktails
- Contemporary and stylish surroundings with Panoramic countryside view

2. Flavors



This is a 70 seater, 24 hour diner that offers Indian, Continental and Chinese meal platters.

Facilities at Flavors

- Multi-cuisine menu Options
- Round the clock menu
- Homemade Desserts
- Weekend Dinner Buffet
- Sunday Special Brunch
- Special Coffee & Tea Menu
- Free Wi-Fi
- Cosmo-Retro Interiors and Décor

3. Alcove



Alcove is a Bar that is designed for pre- or post-dinner relaxation.

Facilities at Alcove

- All High-End Exclusive Brands
- Multicuisine Snacks Menu
- Free Wi-Fi
- Classical Ambience

Banquet/ Conference Halls

The AGI Inn, Jalandhar has 3 banquet/ conference halls namely:

1. Empress
2. Princess
3. Ruby (Kitty Hall)

1. *Empress*



This Banquet Hall has a capacity to host 90 guests (cluster) and 200 guests (informal). This is the large sized banquet hall that can be used for occasions ranging from Wedding Functions to Business Conferences.

2. *Princess*



This is the banquet hall suited more for middle sized gatherings and can host upto 60 guests. This is a banquet hall that can be used for gatherings ranging from Kitty Parties to Dealer's Get Together.

Amenities at Empress and Princess

- Audio: All State of the Art Options
- DJ with Latest Equipments
- LCD Projector
- High Speed Wi-Fi
- Live Band
- Videography
- Theme Decoration
- Flower Decoration
- Conference/ Seminars Stationery

3. *Ruby (Kitty Hall)*



The Ruby Hall is a cosy private dining room that can accommodate 10 to 18 people at once, offering personalized and private service ranging from A la carte choices to prefixed customized menu. This is suitable for occasions ranging from Ladies Kitty Party to Corporate Board Meetings.

Other Facilities

Besides variety of rooms, In house Restaurants and Banquet Halls, following are the facilities that AGI Inn offers:

- 24 Hours Room Service
- Laundry Service
- Travel Desk Service
- Valet Parking Facilities

Reservations

Reservations for our hotel can be done through a variety of platforms ranging from Online booking through our website or other various travel web portals that we have tied up with and also through the bookings taken by our front desk executive over the phone or personally at the Front Desk.

Business Process of Hotel Operations

Our Hotel AGI Inn is headed by a General Manager who reports to our Promoter Director Mr. Sukhdev Singh. Our General Manager in turn is reported to by heads of various departments. The operations are segregated into various departments namely Housekeeping, Food & Beverage, Human Resources, Sales and Marketing and Accounts. The key to our business process is to offer our guests the old world hospitality with modern day technology and ambience. Keeping with that policy our management structure is designed to promote efficiency in supervising, directing and supporting our operations, quality assurance and recruitment and training processes that ensure the highest quality of service and hospitality offered to each guest, ranging right from our first contact point of our web page, front desk executive to Housekeeping and Room Service. For more details regarding our Manpower break up and Responsibilities, please refer to “Our Management” chapter on page no 93 and “Human Resources” on page no. 77 of this Draft Prospectus.

Sales and Marketing Set up

Our sales and marketing is being headed by our directors who are supported by our General Manager and other operations staff. We are currently in the process of increasing our networking and creating a awareness about our hotel and its offerings through various e-travel websites like makemytrip.com, cleartrip.com, etc. With the growing e-travel business, we intend to tie-up with many other e-travel websites and online agents for sale of our hotel rooms. Also, we intend to set-up direct online booking through our own website thus providing our patrons with increased convenience and trust.

With our focus on the wedding segment of the hospitality sector, we intend to use hoardings, newspaper, magazine advertisements and other public media to increase our reach. We also believe that our existing brand of AGI will enhance our image and thus provide a positive word-of-mouth publicity.

Brand Strategy

The “AGI Group” is a well established brand in the city of Jalandhar, having successfully implemented many luxury as well as budget housing projects. We propose to benefit from that brand, while building brand of “AGI Inn” and “AGI Hospitality” as a brand that offers the same quality of service.

Competition

Our competition comes from existing international as well as domestic hotels at Jalandhar, Punjab. We believe that our internal designs, quality towards the highest level of service, top grade culinary satisfaction offered to customers and vast experience of the group in the infrastructure line will give us the required competitive edge as we expand our operations and build more hospitality based properties in Jalandhar.

Human Resources

As a Hospitality company, we rely heavily on our Human Resources. We currently have a staff of 28 employees on our payroll. All of whom are dedicated to the operations of our Hotel AGI Inn.

Category	No. on Employees
Executive Directors	2
Senior Managerial Team / KMP	6
Other Staff	20
Total	28

In addition to our employees, we may also engage the services of unskilled labour on daily wages which include tradesmen, car drivers and other skilled, semi-skilled and unskilled workers

Training and Development

We place a lot of emphasis on training and development of our employees. Employees in all the departments undergo a strict recruitment regime before being hired and pursuant to that undergo regular training programs to upgrade their skills to the changing environment of the hotel industry and the varying demand of services by our customers.

Employee Relations

We enjoy cordial relationships with our employees and there has been no union of employees. Further, there have been no strikes, lock-outs or any labour protest in our organisation since incorporation.

Plant, Machinery and Equipments

Sr. No.	Particular	Quantity
1	Cold Room	1
2	Control Panel	1
3	Lifts	2
4	Kitchen Equipments	1
5	Laudary Machines	1
6	Power Factor Panel	1
7	Solar Water Heater	1
8	Transformer	1
9	UPS System	5
10	Computer	9
11	Beer Machine	1
12	R.O Purifier	1
13	Television	20
14	Gas Bank	1
15	Projector	1
16	Air Conditioner Plant	1
17	DG SETS	1

Sr. No.	Particular	Quantity
18	Crockery & Cutlery	
19	Electrical Equipments	
20	Furniture	
21	Dishwasher	1
22	Kitchenware	
23	Software	1
24	Electrical fittings	
25	Other Equipments	17
26	Pumps	5

Food and Beverages

We serve various kinds of beverages, liquor, vegetarian and non vegetarian food to our customers. Besides that our raw materials consist of the basic infrastructural needs of the Hotel. All our food and beverage material is procured from local markets and looked after by the Captain and Head Chef of each Restaurant/ Banquet Hall.

Utilities

Power

Our registered office and Hotel AGI Inn has adequate power supply position from the Punjab State Power Corporation Limited Department. We have a sanctioned power of 300 KW at our current facility.

Water

Our current water consumption at Hotel AGI Inn is sourced from the local sources maintained by the Public Works Department. It is used for cooking processes, for customers in rooms and restaurants and other general purposes.

Effluent Disposal / Environment Clearance

During the operational processes of our Hotel, various effluents are produced. The company has received approval from the Punjab Pollution Control Board and the disposal is as per the conditioned laid down by the for granting its consent and other general standards notified from time to time.

Safety, Health and Environment

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, we train our employees in standard safety practises in day to day operations of our hotel as well as the standard drills to be conducted in case of an emergency like an earthquake, flood, fire etc. Further, we have important fire and emergency exits and plans laid out at strategic points through-out our facility.

Information Technology

We use information technology systems to enhance our performance and efficiency. We are in the process of implementing enterprise resource planning software across the various business functions in our Company to integrate systems among our departments, including reservations, housekeeping, employee management and accounting. This system will allow us to streamline our processes while enhancing our monitoring and control functions.

Collaborations

We have not entered into any technical or other collaboration till date.

Export Possibility and Obligations

Our Company does not have any export obligation.

Capacity and Capacity Utilization

Our business is not of the nature of a manufacturing concern. Hence, capacity and capacity utilization is not applicable to us.

Properties

Owned Properties

Sr. No	Property Description	Name of Seller	Relation of seller with company	Agreement Details	Utilization
1.	Land at G.T. Road, Village Barring, Tehsil Jalandhar, Punjab admeasuring 3073.08 sq. mtr. *	Lakhanpal Designs Pvt. Ltd.	No Relation	Dated: August 14, 2015 Consideration: 365.00 lakhs	Proposed Banquet and Wedding Palace
2.	Shop No. 6 and 10 at AGI Business Centre, Garha Rd, Lajpat Nagar, Near Main Bus Stand Jalandhar - 144 001, admeasuring 1,114 sq. ft. Each	AGI Infra Ltd.	Group Company	Dated: September 30, 2015 Consideration: ₹ 100 lakhs	Given on Rent
3.	Shop No. 107 at AGI Business Centre, Garha Rd, Lajpat Nagar, Near Main Bus Stand Jalandhar - 144 001, admeasuring 600 sq. ft.	AGI Infra Ltd.	Group Company	Dated: October 15, 2015 Consideration: ₹ 30 lakhs	Given on Rent
4.	Land Ladowali Road, Jalandhar, Punjab admeasuring 85.84 sq. meters.	Mukhtiar Singh	Immediate Relative	Dated: November 17, 2015 Consideration: 16.00 lakhs	Currently Un-utilized (For future expansion of AGI inn Hotel, if any)
5.	Land at Ladowali Road, Jalandhar, Punjab admeasuring 144.09 sq. meters	Mukhtiar Singh	Immediate Relative	Dated: November 17, 2015 Consideration: 20.50 lakhs	

*The Land referred to above in Point No. 1 has a total area admeasuring 280 Marla, out of which as specified 121.50 Marla have been acquired by Our Company. For acquisition of the entire Land Parcel, we propose to raise funds through this issue. For further details, please refer to the chapter titled "Objects of the Issue" on page no 47 of this Draft Prospectus.

Rented / Leased Properties

Sr. No	Property Description	Name of Owner	Relation of owner with company	Period	Rent	Utilization
1.	Land at Ladowali Road, Jalandhar, Punjab admeasuring 728.18 sq. meters	Sukhdev Singh	Promoter Director	Term: September 01, 2015 to August 31, 2034	Rent: ₹ 1/ - per month Security Deposit: ₹ 150 lakhs	Land used for AGI Inn Hotel Building

Intellectual Property

Our company uses its corporate logo  and the logo  for the Hotel AGI Inn for its letterheads and other corporate correspondence. The same is not yet registered with relevant authorities. The company shall be taking steps to have the same registered in its name.

Insurance

Our operations are subject to hazards inherent to the hospitality industry, such as accidents at work place. We are also subject to force majeure events such as fires, earthquakes, floods, acts of terrorism and explosions, including hazards that may cause injury and loss of life, severe damage to and the destruction of property, equipment and environment. Following are the insurance policies obtained by us:

Name of Insurance Company	Type of Policy	Validity Period	Description of Property / Asset covered under the Policy	Policy No.	Total Sum Insured (₹ In lakhs)	Premium (₹ In lakhs)
The Orient Insurance Company Limited	Standard Fire & Special Perils Policy Schedule	September 04, 2015 to September 03, 2016	As per note no. 01	233105/11/2016/224	510.00	0.12

1. Building including Basement, on Lift Furniture, on Lifts, Electricals, Elect Installation & Appliance, Furniture, Fixture, Fittings, Kitchen Appliances, ACs, TVs, Led's, Computers, Fire Fighting Equipments, AC Unit &/or all Other Machinery and Equipments, Refr., Food and Beverage situated at Ladowali Road, Opposite Circle Education Office, Jalandhar, Punjab- 144001.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our Company being a part of the hospitality industry. The information detailed in this Chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice. Our Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please refer to the chapter on “Government and other Key Approvals”.

INDUSTRY-SPECIFIC REGULATIONS

The Food Safety and Standards Act, 2006 (“FSS Act”)

The Food Safety and Standards Act, 2006 is the primary legislation in India relating to food and the corresponding safety standards. The FSS Act *inter-alia* mandates that no food business operator shall himself or by any person on his behalf manufacture, store, sell or distribute any article of food:

- i. which is unsafe; or
- ii. which is misbranded or sub-standard or contains extraneous matter; or
- iii. for which a licence is required, except in accordance with the conditions of the licence; and
- iv. which is for the time being prohibited by the Food Authority or the Central Government or the State Government in the interest of public health.

Further, every person who carries on food business is required to obtain a license under the FSS Act. The Food Safety and Standards Authority of India (“FSSAI”) has been established under the FSS Act. The FSSAI has the power to regulate and monitor the manufacture, processing, distribution, sale and import of food so as to ensure safe food. It *inter-alia* has the power to regulate the quality control of articles of food imported in India, limits on use of additives, metals, veterinary drugs and anti-biotics in food, certification of bodies engaged in food safety management systems and food labeling standards. The FSSAI is obliged to provide scientific advice and technical support to the Central Government and the State Governments in framing the policies and rules in areas which have a direct or indirect bearing on food safety and nutrition. The FSS Act also provides power to the Food Safety Officer to enter and inspect any place where articles of food are manufactured, or stored for sale, or stored for the manufacture of any other article of food, or exposed or exhibited for sale and where any adulterant is manufactured or kept, and take samples of such articles of food or adulterant for analysis. Further, any person who whether by himself or by any other person on his behalf manufactures for sale or stores or sells or distributes or imports any article of food for human consumption which is sub-standard, shall be liable to a penalty which may extend to five lakh rupees. The FSSAI has also framed several rules and regulations relating to food safety and standards with regard to sale, packaging and labeling, analysis, additives and contaminants.

The Copyright Act, 1957 (“Copyright Act”)

The Copyright Act grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. The penalty for general infringement of copyright is imprisonment of maximum 3 (three) years and a fine of up to ₹ 2,00,000/- (Rupees Two Lakhs Only).

The Punjab Excise Act, 1914 (Punjab Excise Act)

The Punjab Excise Act *inter -alia* relates to the import, export, transport, manufacture, sale and possession of intoxicating liquor and of intoxicating drugs. The Punjab Excise Act *inter-alia* prohibits any person from having in his possession any quantity of an intoxicant in excess of such quantity as the State Government has, declared to be the limit of retail sale, except under the authority and as per the terms and conditions of *inter-alia* a license for *inter-alia* sale of such article or a permit granted by the Collector in that behalf. The Punjab Excise Act also *inter-alia* provides for the levy of excise or countervailing duty at the rates directed by the State Government in the case of

excisable articles *inter-alia* imported, exported or transported in accordance Punjab Excise Act, or manufactured or cultivated under any license granted under the Punjab Excise Act or manufactured in any distillery established or any distillery or brewery licensed under the Punjab Excise Act.

Punjab Liquor License Rules, 1956 (“PLL Rules”)

The PLL Rules have been made pursuant to the provisions of the Punjab Excise Act *inter-alia* prescribes class of licenses for various purposes including *inter-alia* wholesale and retail vend of foreign liquor including beer, wine and ready to drink beverages at several places such as hotel, restaurant, bar attached to a restaurant, in a multiplex or in a shopping mall and their mode of grant and renewal and the authorities to grant and renew them.

The Punjab Restaurant (Consumption of Liquor) Rules, 1955 (“PRCL Rules”)

The PRCL Rules *inter-alia* prohibits any person from keeping or having in his possession liquor (whether country or foreign) in any premises used as a restaurant situate in any place stipulated in the PRCL Rules, where under the Punjab Excise Act, the consumption of liquor is prohibited by the State Government, unless a license for consumption has been issued in respect of such premises either under the Punjab Excise Act or the rules made there under. This shall have effect whether or not the quantity in the possession of a person falls within the limit or retail sale as fixed by the State Government. The PRCL Rules also *inter-alia* provide that a license shall not be utilised in respect of any premises other than those in respect of which it has been granted.

The Punjab Municipal Corporation Act, 1976 (“PMC Act”)

The PMC Act was enacted to provide for the establishment of Municipal Corporation for certain cities in the state of Punjab. The PMC Act *inter-alia* deals with constitution of corporation, functions of the corporation, municipal authorities under the corporation, revenue and expenditure, taxation, water supply, drainage and sewage disposal, buildings, sanitation and public health, public safety and suppression of nuisances, etc. in the State of Punjab excluding the cantonment areas therein.

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 (“MSMED Act”)

The MSMED Act *inter-alia* seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act *inter-alia* empowers the Central Government to classify by notification, any class of enterprises including *inter-alia*, a company, a partnership, firm or undertaking by whatever name called, engaged in providing or rendering of services as: (i) a micro enterprise, where the investment in equipment does not exceed ₹ 10,00,000/- (Rupees Ten Lakhs Only); (ii) a small enterprise, where the investment in equipment is more than ₹ 10,00,000/- (Rupees Ten Lakhs Only) but does not exceed ₹ 2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than ₹ 2,00,00,000/- (Rupees Two Crores Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only). The MSMED Act also *inter-alia* stipulates that any person who intends to establish, a micro or small enterprise, may at his discretion or a medium enterprise engaged in providing or rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

Revised Guidelines for Classification / Re-classification of Hotels issued by the Ministry of Tourism, Government of India (“Guidelines”)

The Guidelines have come into force with effect from December 16, 2014 and require adherence by all existing classified hotels and those seeking classification/re-classification by the Ministry of Tourism under all categories, viz. Star Category Hotels and Heritage Category Hotels. In terms of the Guidelines, classification in the case of newly operational hotels, if approved by the Ministry of Tourism at the project stage, must be sought within 3 (three) months of commencing operations. Operating hotels may opt for classification at any stage. However, hotels seeking re-classification should apply for re-classification at least 6 (six) prior to the expiry of the current period of classification. Classification will be valid for 5 (five) years from the date of approval of the Chairman, HRACC or in case of re-classification, from the expiry of the last classification, provided that the application has been received 6 (six) months prior to the expiry of the current period of classification.

National Tourism Policy, 2002

The National Tourism Policy, 2002 document (“**Policy Document**”) *inter-alia* seeks to enhance employment potential within the tourism sector as well as to foster economic integration through developing linkages with other sectors and *inter-alia* endeavors to position tourism as major engine of growth and focus on domestic tourism as major driver of tourism growth among the other goals. The Policy Document takes into consideration the following 7 (seven) key areas that will provide thrust to tourism development: (i) Swagat (Welcome); (ii) Soochana (Information); (iii) Suvidha (Facilitation); (iv) Suraksha (Safety); (v) Sahyog (Cooperation); (vi) Samrachana (Infrastructure Development) and (vii) Safai (Cleanliness).

Code of Conduct for Safe and Honorable Tourism (“Code of Conduct”)

The Union Ministry of Tourism along with all stakeholders, including the Tourism Departments of all States and Union Territories, have adopted the Code of Conduct on July 01, 2010. The Code of Conduct applies *inter-alia* to all the owners, suppliers, contractors, employees of the travel and tour sector including hotels, restaurants, lodges, guest houses, tour agents, entertainment establishments etc. Further, the Code of Conducts a set of guidelines to *inter-alia* encourage tourism activities to be undertaken with respect for basic rights like dignity, safety and freedom from exploitation of both tourists and local residents, in particular for women and children.

AUTHORITIES AND ORGANIZATIONS

Ministry of Tourism - Government of India

The Ministry of Tourism is the nodal agency for the formulation of national policies and programmers and for the co-ordination of activities of various Central Government Agencies, State Governments/Union Territories and the Private Sector for the development and promotion of tourism in the country. This Ministry is headed by the Union Minister of State for Tourism (Independent Charge). The Ministry of Tourism functions as the nodal agency for the development of tourism in the country. It plays a crucial role in coordinating and supplementing the efforts of the State/Union Territory Governments, catalyzing private investment, strengthening promotional and marketing efforts and in providing trained manpower resources.

Department of Tourism and Culture - Government of Punjab

The department is entrusted with the development of tourism, organizing fairs and festivals, cultural activities such as: revival of folk songs/dances, recording of voices of folk singers for reference and record, sponsoring of cultural tropes, explorations, excavations, conservation and preservation of cultural heritage of the state, improvement in the display work of existing museums, setting up of new museums and holding of exhibitions on various concepts, themes and subjects.

The Federation of Hotels and Restaurants Association in India (“FHRAI”)

Established in the year 1955, FHRAI was sponsored by the four Regional Associations representing the Eastern, Northern, Western and Southern regions of India. FHRAI *inter-alia* provides an interface between the hospitality industry, political leadership, academics, international associations and other stake holders. FHRAI is committed to promote and protect the interests of the hospitality industry by actively seeking better privileges and more concessions for the industry.

Hotel Association of India (“HAI”)

Established in 1996, the HAI is the apex organization of the Indian hospitality industry. HAI has as its mission to secure for the hotel industry its due place in India's economy and project its role as a contributor to employment generation and sustainable economic and social development; highlight its crucial role in the service to tourism industry as the largest net foreign exchange earner; help raise the standards of hoteliering and to build an image for this industry both within and outside the country. Its membership extends from the major hotel groups, boutique hotels, heritage hotels, large, medium sized to even smaller hotels.

Hotel and Restaurant Association of Northern India (“HRANI”)

The HRANI with its liaison with the local, State & Central Governments & allied agencies, acts as an effective link between the different segments of the tourism industry for achieving common objectives. It *inter-alia* conducts

training programs, activities and recommends implementation of conclusive/ resolutions reached at seminars & conventions to the appropriate authorities, provides detailed analysis and guidance in respect of policies and procedures affecting the industry.

LABOUR LAWS

Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”)

The EPF Act provides for the institution of compulsory provident fund, pension fund and deposit linked insurance payable to employees in factories and other establishments. The legislation provides that an establishment employing 20 (twenty) or more than persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee’s provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee’s contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

The Employees State Insurance Act, 1948 (“ESI Act”)

The ESI Act provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

Payment of Gratuity Act, 1972 (“PG Act”)

The PG Act provides for payment of gratuity to employees employed in factories, shops and other establishments employing ten or more persons are employed or were employed on any day of the preceding twelve months who have put in a continuous service of not less than 5 (five) years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of ‘five year continuous service’ is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 (fifteen) days’ wages for every completed year of service or part thereof in excess of 6 (six) months with the employer. Presently, an employer is obliged for a maximum gratuity payout of ₹ 10,00,000/- (Rupees Ten Lakhs Only) for an employee.

The Minimum Wages Act, 1948 (“MW Act”)

The MW Act was enacted to establish minimum wages for certain categories of employees. Under this Act, the Central and the State Governments prescribe the minimum wages in the scheduled industries For this purpose with respect to the State of Punjab, Part I of the Schedule to the MW Act stipulates hotels and restaurants as one of the industries.

Payment of Bonus Act, 1965 (“PB Act”)

Pursuant to the PB Act as amended, an employee in a factory and every other establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment upto 6 (six) months or a fine up to ₹ 1,000/- (Rupees One Thousand Only) or both.

The Maternity Benefit Act, 1961 (“MB Act”)

The purpose of the MB Act is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or medical termination of pregnancy. It *inter-alia* provides for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women.

The Payment of Wages Act, 1936 (“PW Act”)

The PW Act is applicable to the payment of wages to persons employed in factories and other establishments. The PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

Equal Remuneration Act, 1976 (“ER Act”)

The ER Act provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith and incidental thereto.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)

The SHWW Act provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹ 50,000/- (Rupees Fifty Thousand Only).

ENVIRONMENT RELATED LAWS

Environment Protection Act, 1986 and Environment (Protection) Rules, 1986

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among and between water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

Water (Prevention and Control of Pollution) Act, 1974

Water (Prevention and Control of Pollution) Act, 1974 (“**Water Act**”) *inter-alia* provides for the prevention and control of water pollution and the maintaining and restoring of wholesomeness of water, with a view to carrying out the aforesaid purposes, the establishment of Boards and for conferring and assigning upon them such powers and functions relating thereto and for matters connected therewith. In terms of the Water Act, any entity is *inter-alia* prohibited from knowingly causing or permitting the discharge of poisonous, noxious or polluting matter prescribed and also from establishing any industry, operation or process which is likely to discharge sewage trade effluents.

TAX RELATED LEGISLATIONS

The Central Excise Act, 1944

The Central Excise Act, 1944 provides that a person who is engaged in production or any process of production of any specified goods including liquor shall get himself registered with the proper officer as per the procedure/documentation laid down.

The Central Sales Tax Act, 1956 (“CST Act”)

Central Sales tax is levied on the sale of moveable goods within India in the course of inter-state trade or commerce and is governed by the provisions of the CST Act. If the goods move between States pursuant to a sale arrangement,

then the taxability of such sale is determined by the CST Act. On the other hand, the taxability of a sale of movable goods within the jurisdiction of the State is determined as per the local sales tax/Value Added Tax legislation in place within such State.

CST is payable by a dealer (i.e. a person who carries on the business of buying, selling, supplying or distributing goods) on his sales turnover at the rate prescribed in the VAT statute of the State from where the movement of the goods originate. However, a dealer is entitled to a concessional rate of 2% CST on goods which are sold to another registered dealer who intends to further re-sell them or use them in the manufacture or processing for further sale or for certain other specified purposes, subject to the condition that purchasing dealer issues a statutory Form 'C' to the selling dealer.

Value Added Tax (“VAT”)

VAT is a system of multi-point levies on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each State that has introduced VAT has its own VAT Act under which persons liable to pay VAT must register and obtain a registration number from the Sales Tax Officer of the respective State.

Punjab Value Added Tax Act, 2005 is applicable to our Company.

Income-tax Act, 1961 (“IT Act”)

The IT Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such company is also required to file its returns by September 30 of each assessment year.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in GAR – 7 challan by the 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the company is required to file a quarterly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates. Every assessee is required to file the quarterly return electronically.

Punjab Tax on Luxuries Act, 2009 (“PTL Act”)

The PTL Act is a State legislation to provide *inter-alia* for the levy and collection of tax on luxuries. The term luxury has been defined under the PTL Act to mean services, rendered for the purpose of enjoyment, comfort or pleasure. Every proprietor is required to pay tax on the amount received by him for luxury provided in a hotel on daily basis at the rate prescribed. Where the luxury is provided other than on a daily basis, the tax liability is to be determined by taking into account the daily average charges of the amount received there for. Further the Act *inter-alia* prohibits a proprietor, who is liable to pay tax under the Act, from providing luxury in a hotel, unless he is registered there under. The Act also *inter-alia* provides that for penalty for failure to make application for registration as prescribed under the Act.

For details of our Company’s material registrations under the applicable the tax legislations, kindly refer to the Chapter titled “Government and Other Statutory Approvals” beginning on page no 141 of this Draft Prospectus.

OTHER LAWS

Punjab Shops and Commercial Establishments Act, 1958

Our Company has its registered office at: Ladowali Road, Opposite Circle Education Office, Jalandhar, Punjab 144001. Accordingly, the provisions of the Punjab Shops and Commercial Establishments Act, 1958 are applicable to our Company. These provisions regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter-alia registration, opening and closing hours, holidays, leave, health and safety measures, and wages for overtime work.

Transfer of Property Act, 1882 (“TP Act”)

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the TP Act. The TP Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The TP Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

Sale: The transfer of ownership in property in exchange for a price, paid or promised or part-paid and part-promised.

Mortgage: The transfer of an interest in a specific immovable property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The TP Act recognizes several forms of mortgages over a property.

Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.

Leases: The transfer of a right to enjoy property for a certain time or in perpetuity for consideration paid or rendered periodically or on specified occasions.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

The Registration Act, 1908 (“Registration Act”)

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

The Indian Stamp Act, 1899 (“Stamp Act”)

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of List I – Union List in the Seventh Schedule of the Constitution of India, is governed by the provisions of the Stamp Act which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain States in India have enacted their own legislation in relation to stamp duty while the other States have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are

incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

The Indian Contract Act, 1872(“Contract Act”)

The Contract Act codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

The Specific Relief Act, 1963(“Specific Relief Act”)

The Specific Relief Act is complimentary to the provisions of the Contract Act and the TP Act, as the Specific Relief Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing penal laws. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

Competition Act, 2002(“Competition Act”)

The Competition Act aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) was established on October 14, 2003 under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

The Companies Act, 1956

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act, 1956 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act, 1956 plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 282 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has *inter-alia* amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Trademarks Act, 1999 (“Trademarks Act”)

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

The Legal Metrology Act, 2009 (“Legal Metrology Act”)

The Legal Metrology Act replaces the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act *inter-alia* requires any person who manufactures, repairs or sells, or offers, exposes or possesses for repair or sale, any weight or measure, must obtain a license issued by the Controller of Legal Metrology. It has been clarified that no license to repair is required by a manufacturer for repair of his own weight or measure in a State other than the State of manufacture of the same. The Legal Metrology Act *inter-alia* provides that any person who is required to obtain a license under the Legal Metrology Act or the rules made there under, repairs or sells, or offers, exposes or possesses for repair or sale, any weight or measure, without being in possession of a valid license, will be punished in the first instance with fine and for a subsequent offence, with imprisonment and/or fine.

REGULATIONS REGARDING FOREIGN INVESTMENT

Foreign Exchange Management Act, 1999 (“the FEMA”)

Foreign investment in companies in the hospitality industry is governed by the provisions of the Foreign Exchange Management Act, 1999 (“**FEMA**”) read with the applicable regulations. The Department of Industrial Policy and Promotion (“**DIPP**”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy (the “**FDI Circular**”) which consolidates the policy framework on Foreign Direct Investment (“**FDI**”), with effect from May 12, 2015. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till May 11, 2015, except Press Note 4 of 2015 dated April 24, 2015, which will remain effective. All the press notes (except Press Note 4 of 2015 stated above), press releases, clarifications on FDI issued by DIPP till May 11, 2015 stand rescinded as on May 12, 2015.

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the approval route, prior approval of the Government of India through FIPB is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where FIPB approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

The Consolidated FDI Circular dated May 12, 2015 issued by the DIPP does not prescribe any cap on the foreign investments in the sector in which our Company operates. Therefore, foreign investment up to 100% is permitted in our Company under the automatic route. No approvals of the FIPB or the RBI are required for such allotment of equity Shares under this Issue. Our Company will be required to make certain filings with the RBI after the completion of the Issue.

RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2015. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the pricing guidelines prescribed under the Master Circular. As mentioned above, the Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as AGI Hospitality Pvt. Ltd. on July 24, 2012 under the Companies Act, 1956, with the Registrar of Companies, Punjab and Chandigarh bearing Registration Number - 036475. The status of our Company was changed to a public limited company and the name of our Company was changed to AGI Hospitality Ltd. by a special resolution passed on October 10, 2015. A fresh certificate of incorporation consequent to the change of name was granted to our Company on November 26, 2015, by the Registrar of Companies, Punjab and Chandigarh. The Company's Corporate Identity Number is U55101PB2012PLC036475 and its Registered Office is situated at Ladowali Road, Opposite Circle Education Office, Jalandhar, Punjab- 144001.

"The AGI Inn", Jalandhar has a unique combination of state of the art interiors and old world hospitality services culture. It caters to the domestic as well as international tourist or business travelers. As part of the AGI inn, we are currently operating various F&B outlets namely "Sky Lounge", "Flavors" and "Alcove" and various banquet facilities namely "Empress", "Princess" and "Ruby" which cater to different dining experiences as well as varied type of events. We have also acquired land parcel admeasuring 229.93 sq. meters adjacent to our hotel – "AGI Inn" for future expansion purposes.

Our long term focus is on the F&B and Banquet businesses which we believe have a higher demand and better profitability as compared to the lodging business in general and hence we have also acquired 3 different shops at "AGI Business Centre" on Garha Road, Jalandhar which we may in the future be able to convert into restaurants or catering outlets. These shops are currently leased out on rent to outside parties for rental income. We also plan to concentrate on the fast growing wedding market in Northern India and we are hence setting up a banquet hall and wedding palace at G.T. Road in Jalandhar for which we have already acquired 3073.08 sq. meters of land and the remaining land of 3262.78 sq. meters and construction cost is being proposed to be completed from the net proceeds of the issue. For further details please refer to "Objects of the Issue" beginning on page no 47 of this Draft Prospectus.

Our Company has Eight (8) shareholders, as on the date of this Draft Prospectus.

Major events in the history of Our Company:

YEAR	MAJOR EVENT
2013	Incorporation of Company
2014	Commenced operations of our Hotel AGI Inn
2015	Purchased Land at G. T. Road, Jalandhar for construction of wedding banquets
2015	Purchased 2 shops at AGI Business Centre for future expansion
2015	Purchased land at Ladowali Raod, Jalandhar for future expansion
2015	Conversion of our Company into a Public Limited Company and change of name AGI Hospitality Pvt. Ltd. to AGI Hospitality Ltd..

Main Objects

The main object of our Company is as follows:

- To Carry on the Business of Running, Owning, Franchise In, Franchise out all types of Hotels, Motels, Resorts, Marriage Palace, Clubs, Restaurants, Pubs, Bars, Discos, Rest House, etc.
- To Carry on the Business of Entertainment Complexes, Food Court/Food Franchisees, Recreational Clubs with or without the facilities of Gym, SPA, Sports Facilities, Golf Courses or facilities incidental thereto..

Changes in Registered Office of our Company

Date of Change of Registered Office	Address
Incorporation	Since Incorporation our Registered office is situated at Ladowali Road, Opposite Circle Education Office, Jalandhar, Punjab- 144 001.

Amendments to the Memorandum of Association

Dates on which some of the main clauses of the Memorandum of Association of our Company have been changed citing the details of amendment as under:

DATE	NATURE OF AMMENDMENT
January 31, 2013	Increase in Authorised Capital from ₹ 25,00,000 divided into 2,50,000 shares of ₹ 10/- each to ₹ 1,00,00,000 divided into 10,00,000 shares of ₹ 10/-
March 23, 2015	Increase in Authorised Capital from ₹ 1,00,00,000 divided into 10,00,000 shares of ₹ 10/- each to ₹ 3,00,00,000 divided into 30,00,000 shares of ₹ 10/-
October 07, 2015	Increase in Authorised Capital from ₹ 3,00,00,000 divided into 30,00,000 shares of ₹ 10/- each to ₹ 8,00,00,000 divided into 80,00,000 shares of ₹ 10

Subsidiaries

As on the date of this Draft Prospectus, there are no subsidiaries of our Company.

Holding Company

As on the date of this Draft Prospectus, our Company does not have any holding company within the meaning of Companies Act, 1956.

Joint Ventures

As on the date of this Draft Prospectus, there are no joint ventures of our Company.

Shareholders' Agreement

There are no Shareholders' Agreements existing as on the date of this Draft Prospectus.

Acquisition of business / undertakings

No Acquisition of business / undertakings from the date of this Draft Prospectus

Financial Partners

We do not have any financial partners as on the date of this Draft Prospectus.

Strategic Partners

We do not have any strategic partners as on the date of this Draft Prospectus.

Other Agreements

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement/contract as on the date of this Draft Prospectus.

Injunctions or restraining orders

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

OUR MANAGEMENT

Board of Directors:

Our Company has five (5) Directors consisting of two (2) Executive Directors; one (1) Non-Executive Non-Independent Directors and two (2) Non-Executive Independent Directors. The following table sets forth the details of our Board of Directors as on the date of this Draft Prospectus:

Sr. No.	Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
1	<p>Mr. Sukhdev Singh <i>Chairman & Managing Director</i></p> <p>Address: 1186, Urban Estate, Phase-II, Jalandhar - 144001, Punjab</p> <p>Date of appointment as Director: July 07, 2012</p> <p>Date of appointment as Managing Director: January 09, 2016</p> <p>Term: Appointed as Managing Director for a period of Five years i.e. till January 08, 2021.</p> <p>Occupation: Business</p> <p>DIN: 01202727</p>	Indian	55 Years	<ul style="list-style-type: none"> • AGI Infra Ltd. • Agile Mechanical & Electrical Services Engineers Ltd.* • Arcobaleno Consulting Engineers India Ltd.*
2	<p>Mrs. Salwinderjit Kaur <i>Executive Director</i></p> <p>Address: 1186, Urban Estate, Phase-II, Jalandhar - 144001, Punjab</p> <p>Date of appointment as Executive Director: July 07, 2012</p> <p>Term: Liable to retire by rotation</p> <p>Occupation: Business</p> <p>DIN: 00798804</p>	Indian	56 Years	<ul style="list-style-type: none"> • AGI Infra Ltd.
3	<p>Mr. Varinder Singh <i>Non-Executive Non-Independent Director</i></p> <p>Address: 202E, Jalandhar Height, 66 ft Road, Village Pholriwal, Near Urban Estate, Phase- II, Jalandhar-144022</p> <p>Date of appointment as Non-Executive Non-Independent Director: January 09, 2016</p> <p>Term: Appointed as Non-Executive Non-Independent Director for a period of Five years i.e. till January 08, 2021.</p> <p>Occupation: Services</p> <p>DIN: 07399401</p>	Indian	40 years	Nil

Sr. No.	Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
4	<p>Mr. Manjit Singh <i>Non-Executive Independent Director</i></p> <p>Address: House no. 1296, Sector 37-B, Chandigarh - 160036</p> <p>Date of appointment as Non-Executive Independent Director: October 07, 2015</p> <p>Term: Appointed as Non- Executive Independent Director for a period of Five years i.e. till January 08, 2020.</p> <p>Occupation: Professional</p> <p>DIN: 07037656</p>	Indian	65 years	<ul style="list-style-type: none"> AGI Infra Ltd.
5	<p>Mr. Ravi Kant Aggarwal <i>Non-Executive Independent Director</i></p> <p>Address: 1506, Urban Estate, Phase II, Jalandhar-144022</p> <p>Date of appointment as Non-Executive Independent Director: January 09, 2016</p> <p>Term: Appointed as Independent Director for a period of Five years i.e. till January 08, 2021.</p> <p>Occupation: Retired</p> <p>DIN: 07399403</p>	Indian	66 years	Nil

* For further details, please refer to “Companies with which the Promoter has disassociated in the last three years” on page no. 105 of this Draft Prospectus.

For further details on their qualification, experience etc., please see their respective biographies under the heading “Brief Biographies” below.

Other Notes:

- Except for Mr. Sukhdev Singh, being the husband of Mrs. Salwinderjit Kaur, none of the Directors on our Board are related to each other.
- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director.
- There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of the Directors is or was a director of any listed company which has been or was delisted from any recognised stock exchange in India during the term of their directorship in such company.

Brief Biographies of our Directors

▪ Mr. Sukhdev Singh

Mr. Sukhdev Singh, aged 55 years is one of the Promoters of our Company. He holds a Bachelor's degree in Commerce as well as a Master's degree in Commerce. He has also cleared the intermediate level of the Institute of Cost & Works Accountants in India. Mr. Singh began his professional career at the age of 21 as a Senior Assistant in the Punjab Financial Corporation, Chandigarh. After gaining experience, he resigned from this service in the year 2000 and started his own construction business under the name "Aay Jay Builders". He is our Company's founder Director. He has an in depth knowledge and acumen of the Construction Industry. He was also nominated for "Best Emerging Enterprise" by JMA (Jalandhar Management Association) in 2014. He is actively involved in all aspects of the business including - handling the overall business affairs of our Company including business development, devising business marketing strategies, operations and sales.

▪ Mrs. Salwinderjit Kaur

Mrs. Salwinderjit Kaur, aged 56 years is also a Promoter of our Company. She holds a Bachelor's degree in Arts from Punjab University. She has a professional experience of 10 years in the field of interior decoration and green development. Mrs. Kaur is our Company's founder Director.

▪ Mr. Varinder Singh

Mr. Varinder Singh, aged 40 years is a Non-Executive Non – Independent director of our company. He has over 18 years of extensive experience in the field of construction and is currently working as a Project Manager with our group Company AGI Infra Limited. He was appointed in our Company at his current position on January 09, 2016

▪ Mr. Manjit Singh

Mr. Manjit Singh, aged 64 years, was appointed as a Director of our Company with effect from October 07, 2015. He holds a Master's degree in Regional Planning from IIT, Kharagpur. He started his professional career in 1977 as an Assistant Town Planner for the Government of Haryana. For about 30 years, he worked on different positions in Gazetted capacity in the Department of Town and Country Planning, Punjab. At present he is actively engaged in providing assistance and Real Estate Consultancy services in Punjab.

▪ Mr Ravi Kant Aggarwal

Mr Ravi Kant Aggarwal, aged 66 years, is a Non-Executive Independent director of our Company. He has obtained a M. A. In Economics and has over 35 years of extensive experience in banking and financial sector. He has recently retired as Chief Manager at SBI. He was appointed as Independent Director of our Company as on January 09, 2016.

Borrowing Powers of our Board of Directors

Our Company at its Extra-Ordinary General Meeting held on October 07, 2015 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money from any person(s) or bodies corporate (including holding Company) or any other entity, whether incorporated or not, on such terms and conditions as the Board of Directors may deem fit for the purpose of the Company's business. The monies so borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from the banks in the ordinary course of business) may exceed the aggregate of the paid up share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of such borrowings together with the amount already borrowed and outstanding shall not, at any time, exceed ₹ 7,000 Lakhs (₹ 70 Crore).

Remuneration of Directors

▪ Sukhdev Singh, Managing Director

Our Company at its Extra-Ordinary General Meeting held on January 09, 2016, passed a resolution authorizing Board of Directors pursuant to the provisions of section 196-197 of Companies act, 2013 to approve as and when

they deem fit and based on the company's financial stability position to approve a remuneration payable to Mr Sukhdev Singh not exceeding ₹ 30,00,000 (Rupees Thirty Lakhs only) per annum as provided under the provisions of the Act unless otherwise approved by the Central Government. However, till date the board has not approved any remuneration package for our Executive Director.

The amount of remuneration paid to Mr. Sukhdev Singh for FY 2014-15 is NIL.

▪ Compensation of Non-Executive Directors

The Board of Directors have accorded their approval for payment of sitting fee, in their meeting held on January 11, 2016, whereby the Non-Executive Directors of our Company would be entitled to a sitting fee of ₹ 1,500, for attending every meeting of Board or its committee thereof.

Remuneration paid to Non-Executive Directors in Fiscal 2015: Nil

Shareholding of Directors

The following table sets forth the shareholding of our Directors as on the date of this Draft Prospectus:

Name of Directors	No. of Equity Shares held	% of Pre-Issue Paid Up Capital
Mr. Sukhdev Singh	51,54,400	94.80%
Mrs. Salwinderjit Kaur	2,60,800	4.80%
Mr. Varinder Singh	NIL	0.00%
Mr. Manjit Singh	NIL	0.00%
Mr. Ravi Kant Aggarwal	NIL	0.00%
TOTAL	54,15,200	99.60%

Interest of the Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

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

Except as stated in this chapter titled "Our Management" and the chapter titled "Annexure XVII - Related Party Transactions" beginning on page nos. 93 and 127 of this Draft Prospectus respectively, our Directors do not have any other interest in our business.

Except as stated in this chapter titled "Annexure XVII - Related Party Transactions" on page no. 127 of this Draft Prospectus, our Directors have no interest in any property acquired by our Company within two years of the date of this Draft Prospectus. Our Company has not taken any property on lease from our Promoters within two years of the date of this Draft Prospectus.

Changes in the Board of Directors in the last three years

Following are the changes in our Board of Directors in the last three years:

Sr. No.	Name of Director	Date of Change	Reason for change
1	Mr. Sukhdev Singh	January 09, 2016	Change in Designation
2	Mr. Manjit Singh	October 07, 2015	Appointment
3	Mr. Varinder Singh	January 09, 2016	Appointment
4	Mr. Ravi Kant Aggarwal	January 09, 2016	Appointment

Corporate Governance

The provisions of the Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the Listing Regulations, the SEBI Regulations and the Companies Act, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has five Directors. In compliance with the requirements of the Companies Act, we have two Executive Directors and three Non-Executive Directors including two Independent Directors on our Board. Our Board also include a woman Director

Committees of our Board

We have constituted the following committees of our Board of Directors for compliance with corporate governance requirements:

- Audit Committee
- Stakeholder's Relationship Committee
- Nomination and Remuneration Committee

1. Audit Committee

The Audit Committee of our Board was reconstituted by our Directors by a board resolution dated January 11, 2016 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Ravi Kant Aggarwal	Non-Executive Independent Director	Chairman
Mr. Manjit Singh	Non-Executive Independent Director	Member
Mr. Sukhdev Singh	Chairman and Managing Director	Member

The scope of Audit Committee shall include but shall not be restricted to the following:

- Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
- Compliance with listing and other legal requirements relating to financial statements

- Disclosure of any related party transactions
 - Qualifications in the draft audit report.
- a) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
 - b) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/draft prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 - c) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - d) Approval or any subsequent modification of transactions of the company with related parties;
 - e) Scrutiny of inter-corporate loans and investments;
 - f) Valuation of undertakings or assets of the company, wherever it is necessary;
 - g) Evaluation of internal financial controls and risk management systems;
 - h) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 - i) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - j) Discussion with internal auditors any significant findings and follow up there on.
 - k) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 - l) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - m) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - n) To review the functioning of the Whistle Blower mechanism.
 - o) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 - p) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference

- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Company Secretary of the Company acts as the Secretary to the Committee.

Meeting of Audit Committee

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. Since the formation of the committee, no Audit Committee meetings have taken place.

2. Stakeholders Relationship Committee

The Stakeholders Relationship Committee of our Board were reconstituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated January 11, 2016 The Stakeholders Relationship Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Manjit Singh	Non-Executive Independent Director	Chairman
Mr. Ravi Kant Aggarwal	Non-Executive Independent Director	Member
Mrs. Salwinderjit Kaur	Executive Director	Member

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- a) Allotment and listing of our shares in future
- b) Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;

- c) Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/transmission of shares and debentures;
- d) Reference to statutory and regulatory authorities regarding investor grievances;
- e) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- f) And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Company Secretary of our Company acts as the Secretary to the Committee.

Quorum and Meetings

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. Since the formation of the committee, no Stakeholders Relationship Committee meetings have taken place.

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was reconstituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated January 11, 2016.

The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Varinder Singh	Non-Executive Non-Independent Director	Chairman
Mr Ravi Kant Aggarwal	Non-Executive Independent Director	Member
Mr. Manjit Singh	Non-Executive Independent Director	Member

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report

Quorum and Meetings

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

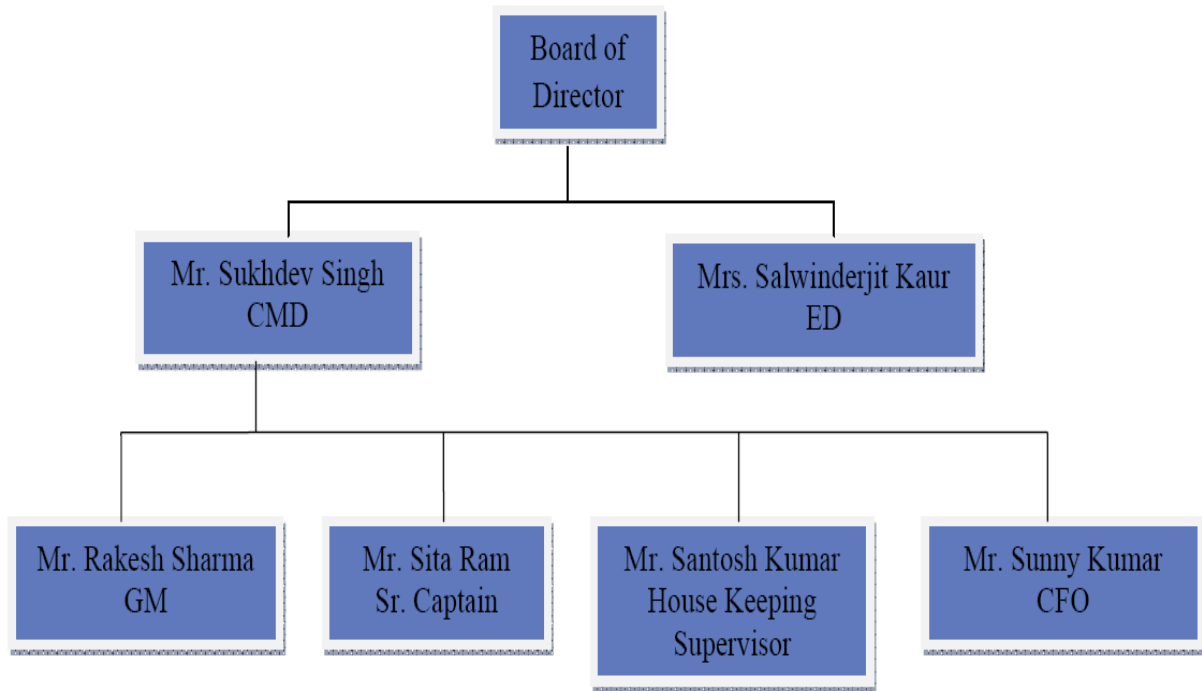
The Company Secretary of our Company acts as the Secretary to the Committee.

Policy on Disclosures & Internal procedure for prevention of Insider Trading

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on Stock Exchanges. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue

Mr. Ravi Kant Aggarwal is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.

Management Organisation Structure



Terms & Abbreviations

CMD	-	Chairman & Managing Director
ED	-	Executive Director
GM	-	General Manager
CFO	-	Chief Financial Officer

Key Managerial Personnel

The details of our key managerial personnel are as below –

Name of Employee	Designation & Functional Area	Date of Joining	Current C.T.C p.a. (₹ in lakhs)	Qualification	Name of Previous Employer(s)	Total years of Experience
Mr. Rakesh Sharma	General Manager	June 11, 2015	2.40	Bachelor of Science	<ul style="list-style-type: none"> • M/s. Hotel Connaught Palace • M/s hotel Kamal Palace • M/s Hotel M1 	19 Years
Mr. Sita Ram	Sr. Captain	November 29, 2014	2.03	Under-Graduate	<ul style="list-style-type: none"> • Hotel M1 • Prithves Planet • Hotel Country Inn and Suits • Hotel Mohan International 	15 Years
Mr. Santosh Kumar	House Keeping Supervisor	April 24, 2014	1.83	Under-Graduate	<ul style="list-style-type: none"> • Maya Hotel • Hotel Raddison • Hotel Leo Fort • Hotel Club Cabbana • Hotel Singh Axis 	20 Years
Mr. Sunny Kumar	Chief Financial Officer	January 09, 2016	1.39	Bachelor of Commerce	<ul style="list-style-type: none"> • Bhatia Airwings Services Pvt. Ltd. 	2 Years

Other Notes –

The aforementioned KMP are on the payrolls of our Company as permanent employees.

Also, they are not related parties as per the Accounting Standard 18.

Relationship amongst the Key Managerial Personnel

None of the aforementioned KMP are related to each other.

Also, none of them have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

Shareholding of Key Managerial Personnel

None of the KMP in our Company holds any shares of our Company as on the date of this Draft Prospectus.

Interest of Key Managerial Personnel

The Key Managerial Personnel of our Company do not have any interest in our Company, other than to the extent of remuneration of benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to / in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same.

Bonus or Profit Sharing Plan for the Key Managerial Personnel during the last three years

Our Company does not have fixed bonus / profit sharing plan for any of the employees or key managerial personnel.

Loans taken by Key Management Personnel

None of our Key Managerial Personnel have taken any loan from our Company.

Employee Share Purchase and Employee Stock Option Scheme

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

Payment or Benefit to our Officers

Except for the payment of salaries and yearly bonus, if any, we do not provide any other benefits to our employees.

Changes in the Key Managerial Personnel in the three years preceding the date of filing this Draft Prospectus



Name	Current Designation	Date of Joining
Mr. Rakesh Sharma	General Manager	June 11, 2015
Mr. Sita Ram	Sr. Captain	November 29, 2014
Mr. Santosh Kumar	House Keeping Supervisor	April 24, 2014
Mr. Sunny Kumar	Chief Finance Officer	January 09, 2016

OUR PROMOTER, PROMOTER GROUP AND GROUP COMPANIES

OUR PROMOTERS

Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur are the Promoters of our Company.

The details of our Promoters are provided below:

	Mr. Sukhdev Singh
	PAN: AFRPS3124B
	Passport No.: H4035101
	Driver's License No.: PB-0820090218998
	Voter's ID No.: YUN0271361
	Bank A/c No.: 17062191000641
Name of Bank & Branch: Oriental Bank of Commerce, Pholriwal (Jalandhar)	
	Mrs. Salwinderjit Kaur
	PAN: AHCPK4619A
	Passport No.: H4033793
	Driver's License No.: PB-0820070116476
	Voter's ID No.: YUN0271379
	Bank A/c No.: 2572101003835
Name of Bank & Branch: Canara Bank, Jalandhar	

For additional details on the age, background, personal address, educational qualifications, experience, positions / posts and Directorships held in the past, please see the chapter titled "Our Management" beginning on page no. 93 of this Draft Prospectus.

For details of the build-up of our Promoters' shareholding in our Company, please see "Capital Structure –Notes to Capital Structure" on page no 38 of this Draft Prospectus.

Other Understandings and Confirmations

We confirm that the PAN, the Bank Account Number and the Passport Number of the Promoters shall be submitted to the Stock Exchange where the securities of our Company are proposed to be listed, at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters, the members of our Group Companies and relatives of our Promoters (as per the Companies Act, 1956) have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or are currently pending against them. None of (i) Our Promoters, Promoter Group or Group Companies or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) The Companies with which our Promoters are or were associated as a Promoter, Director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Common Pursuits of our Promoters Group Companies

None of our Promoter Group Entity (M/s Aay Jay Builders) and Group Company (AGI Infra Limited) are currently engaged in business similar to ours.

Interest of Promoters in the Promotion of our Company

Our Company is promoted by Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur in order to carry on its present business. Our Promoters are interested in our Company as mentioned above in this chapter, under the heading

“*Common Pursuits of our Promoters*” and to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Interest of Promoters in the Property of our Company

Except as mentioned in the chapter titled “*Our Business*” our Promoters have confirmed that they do not have any interest in any property acquired by our Company within two years preceding the date of this Draft Prospectus or proposed to be acquired by our Company as on the date of this Draft Prospectus. For further details please refer to the “*Properties*” section on page no. 79 of this Draft Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*”, our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Payment of Amounts or Benefits to our Promoters or Promoter Group during the last two years

Except as stated in “*Annexure XVII - Related Party Transactions*” on page no. 127 of this Draft Prospectus, no amount or benefit has been paid by our Company to our Promoters or the members of our Promoter Group in the last two years preceding the date of this Draft Prospectus.

Interest of Promoters in our Company other than as Promoters

Other than as Promoters, our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Further, except as mentioned in this chapter and the chapters titled “*Our Business*”, “*History and Certain Corporate Matters*”, “*Financial Indebtedness*” and “*Annexure XVII - Related Party Transactions*” on page nos. 70, 91, 139 and 127, respectively, of this Draft Prospectus, our Promoters do not have any interest in our Company other than as promoters.

Other Confirmations

Except as stated elsewhere in this Draft Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

Further, except as disclosed in this, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by us.

Companies with which the Promoter has disassociated in the last three years

Our Promoter Mr. Sukhdev Singh was appointed as Director in Agile Mechanical & Electrical Services Engineers Ltd. and Arcobaleno Consulting Engineers India Ltd. Subsequently, Mr. Sukhdev Singh sold his shares in these companies, however, the companies have applied for striking off their names from the RoC and hence the process of resigning from the company could not be taken on record. Mr Sukhdev Singh has confirmed that currently he does not have any material interest or control in these companies.

Outstanding Litigation

There is no outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigation and Material Developments*” beginning on page nos. 9 and 147 of this Draft Prospectus.

OUR PROMOTER GROUP AND GROUP COMPANIES

Apart from our Promoters, as per Regulation 2(1)(zb) of the SEBI (ICDR) Regulation, 2009, the following individuals and entities shall form part of our Promoter Group:

1. Natural Persons who are Part of the Promoter Group

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Sukhdev Singh	Inder Singh	Father
	Ajit Kaur	Mother
	Salwinderjit Kaur	Wife
	Mukhtiar Singh	Brother
	Sukhwinder Kaur	Sister
	Abhijit Singh	Son
	Sohan Singh	Wife's Father
	Basant Kaur	Wife's Mother
	Nirmaljit Singh Thind	Wife's Brother
	Sarabjeet Kaur	Wife's Sister
Salwinderjit Kaur	Sohan Singh	Father
	Basant Kaur	Mother
	Sukhdev Singh	Husband
	Nirmaljit Singh Thind	Brother
	Sarabjeet Kaur	Sister
	Abhijit Singh	Son

2. Other Individuals who are part of the Promoter Group: None

3. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1)(zb)(iv) of the SEBI (ICDR) Regulations, 2009, the following entity / company shall form part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity / Company
1	AGI Infra Limited
2	Aay Jay Builders

Group Company/Entity

Following company / entity have been promoted by our Promoters and hence form part of our "Group Companies / Entities":

- AGI Infra Limited
- M/s Aay Jay Builders

Unless otherwise stated, none of the entities forming part of the Promoter Group had remained defunct during the five years preceding the date of this Draft Prospectus or is a sick company under the meaning of SICA and none of them are under winding up. Further, Our Group Company AGI Infra Limited is a listed company and they have made a Public Issue of securities during March 2015. The information provided in this chapter is as on the date of this Draft Prospectus.

Brief Detail of our Group Company:

FINANCIAL INFORMATION OF GROUP COMPANY

As per Schedule VIII (IX)(C)(2) of the SEBI (ICDR) Regulations 2009, the financial information of our Listed Group Companies on the basis of Market Capitalization are given below:

I. AGI INFRA LIMITED. (“AGIIL”) (Formerly known as “G.I Builders Private Limited”)

Incorporation	Our Company was incorporated as G. I. Builders Pvt. Ltd. on May 27, 2005 under the Companies Act, 1956, with the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh, The status of our Company was changed to a public limited company and the name of our Company was changed from “G. I. Builders Private Limited” to “AGI Infra Limited” by a special resolution passed on February 16, 2011. A fresh Certificate of Incorporation consequent to the change of name was granted to our Company on February 22, 2011, by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh bearing CIN U45200PB2005PTC28466. Further, a fresh Certificate of Incorporation dated June 27, 2012, was issued by the Registrar of Companies, Punjab and Chandigarh, consequent upon conversion into a public limited company bearing the CIN U45200PB2005PLC028466
CIN	U45200PB2005PLC028466
Registered Office	Jalandhar Heights, 66 FT Road, Village Pholriwal, Near Urban Estate, Phase II, Jalandhar, Punjab - 144 001
Corporate Office	Jalandhar Heights, 66 FT Road, Village Pholriwal, Near Urban Estate, Phase II, Jalandhar, Punjab - 144 001
Nature of Business	AGI Infra Limited is engaged in the business General Construction (including Alterations, Additions, Repair, and Maintenance) of all types of Buildings, Carried out on own account basis or on a free or contract basis in India and or abroad.
Registrar of Companies	Corporate Bhawan, Plot No. 4 B, Sector 27 B, Madhya Marg, Chandigarh – 160019

Details of Listing of AGIIL

Year of Initial Listing	2015
Name of the Stock Exchanges where currently listed	BSE
Details of public offerings in last 3 Years	None
Date of opening and closing of Issue	March 10, 2015 & March 13, 2015
Date of Allotment	March 23, 2015
Face Value (₹)	₹ 10
Listing Code	AGIIL

Board of Directors as on September 30, 2015

Sr. No.	Name	Designation
1.	Salwinderjit Kaur	Whole time Director
2.	Sukhdev Singh	Managing Director
3.	Atul Mehta	Non-Executive Independent Director
4.	Anuj Rai Bansal	Chairman & Non-Executive Director
5.	Manjit Singh	Non-Executive Independent Director

Shareholding Pattern of AGIL as on September 30, 2015

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	2	52,55,320	52,55,320	51.44	51.44	0	0.00
Sub Total	2	52,55,320	52,55,320	51.44	51.44	0	0.00
(2) Foreign							
Individuals (Non-Residents / Foreign Individuals)	2	21,56,000	21,56,000	21.10	21.10	0	0.00
Sub Total	2	21,56,000	21,56,000	21.10	21.10	0	0.00
Total shareholding of Promoter and Promoter Group (A)	4	74,11,320	74,11,320	72.54	72.54	0	0.00
(B) Public Shareholding							
(1) Institutions							
Market Makers	1	2,58,000	2,58,000	2.53	2.53	0	0.00
Sub Total	1	2,58,000	2,58,000	2.53	2.53	0	0.00
(2) Non-Institutions							
Bodies Corporate	14	11,20,000	11,20,000	10.96	10.96	0	0.00
Individuals							
Individual shareholders holding nominal share capital up to ₹ 1 lakh	54	1,71,600	1,71,600	1.68	1.68	0	0.00
Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	23	12,27,800	12,27,800	12.02	12.02	0	0.00
Any Other (Specify)	4	28,000	28,000	0.27	0.27	0	0.00
Clearing Members	4	28,000	28,000	0.27	0.27	0	0.00
Sub Total	95	25,47,400	25,47,400	24.93	24.93	0	0.00
Total Public	96	28,05,400	28,05,400	27.46	27.46	0	0.00

shareholding (B)							
Total (A)+(B)	100	1,02,16,720	1,02,16,720	100.00	100.00	0	0.00
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	0	0.00
(1) Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
(2) Public	0	0	0	0.00	0.00	0	0.00
Sub Total	0	0	0	0.00	0.00	0	0.00
Total (A)+(B)+(C)	100	1,02,16,720	1,02,16,720	0.00	100.00	0	0.00

Brief Audited Financials of AGIIL

(₹ in Lakhs)

Particulars	As at March 31		
	2015	2014	2013
Equity Capital	1021.67	531.48	531.48
Reserves (excluding revaluation reserve) and Surplus	603.97	532.85	258.84
Net Worth [#]	1625.64	1064.33	790.32
Income including other income	4098.94	3046.21	69.77
Profit/ (Loss) after tax	283.59	274.01	184.31
Earnings per share (face value of ₹ 10 each)	3.78	3.68	2.76
Net asset value per share	27.71	20.03	14.87

[#] Net worth Calculated after deducting unamortised / miscellaneous expenses not w/o, if any

The Stock Market data of AGIIL at BSE (Scrip Code: 539042)

Month	High (₹)	Low (₹)	No. of Shares Traded	Total Turnover (₹ in Lakhs)
December 2015	117.60	111.00	39,000	45,45,600
November 2015	129.60	122.40	11,000	13,80,300
October 2015	136.50	120.70	28,000	36,99,400
September 2015	116.50	102.90	88,000	98,81,900
August 2015	105.00	96.50	70,000	69,93,700
July 2015	96.00	81.00	1,32,000	1,12,56,700

(Source: www.bseindia.com)

Past Penalties and Listing Compliances:

AGIIL has not faced any suspension on the BSE for any listing agreement non-compliance.

Mechanism for Redressal of Investor Grievance

AGIIL has appointed Bigshare Services Private Limited as the Registrar and Transfer Agent, who has been entrusted with responsibility of redressal of investor grievances and servicing the investors.

Besides, the Board has constituted the Shareholders' Grievance Committee as per the guidelines set out in listing agreement that inter alia includes redressing investors' complaints regarding transfer of shares, non-receipt of any correspondence from the Company etc. The Committee also oversees the performance of the Registrar & Transfer Agents and recommends measures for the overall improvement of the quality of the investor services.

As on date of this Draft Prospectus there were no Investor Grievances pending against AGIIL. Further, there are no investor complaints pending in the listed group company, as on date of filing of this Draft Prospectus.

Other Disclosures:

The Equity Shares of AGIIL are listed on the BSE SME Platform through an IPO of 27,76,000 shares at a price of ₹ 54 on March 27, 2015. AGIIL has not made any rights issue in the last three (3) years.

AGIIL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, AGIIL neither has a negative net-worth nor has made a loss in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

GROUP ENTITY

Proprietary Firm:

1. M/s. Aay Jay Builders

M/s. Aay Jay Builders is a sole proprietorship firm formed by Mr. Sukhdev Singh with VAT registration date as December 07, 2007. It was formed to run the business of construction and infrastructure development. The firm has a capital of ₹ 46.76 lakhs as on March 31, 2015.

Nature and Extent of Interest of Group Companies

a) In the promotion of the Company

None of the Group Companies have any interest in the promotion of the Company, except to the extent of their shareholding in the Company, if any. For details regarding the shareholding of our Group Companies in our company, please see the chapter titled “*Capital Structure*” beginning on page no 38 of this Draft Prospectus.

b) In the properties acquired or proposed to be acquired by the Company in the past two years

Our Company has not acquired nor does it propose to acquire any properties from its Group Companies.

c) In transactions for acquisition of land, construction of building and supply of machinery

None of the Group Companies have any interest in any transactions for acquisition of land, construction of building and supply of machinery by our Company except as mentioned in “*Annexure XVII – Related Party Transactions*” on page no. 127 of this Draft Prospectus.

Related Business Transactions within the Group Companies and Significance on the Financial Performance of the Company

For details, please see the chapter titled “*Annexure XVII - Related Party Transactions*” on page no 127 of this Draft Prospectus.

Business Interest of Group Companies in the Company

Except as disclosed above, and in the chapters titled “*Our Business*” and “*Annexure XVII - Related Party Transactions*” beginning on page nos. 70 and 127 respectively of this Draft Prospectus, none of the Group Companies have any business interest in our Company.

Sale / Purchase between Group Companies

For details, please see the chapter titled “*Annexure XVII - Related Party Transactions*” on page no. 127 of this Draft Prospectus.

CURRENCY, UNITS OF PRESENTATION AND EXCHANGE RATES

All references to “Rupees”, “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America.

This Draft Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since incorporation.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

SECTION VI - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

REPORT OF THE INDEPENDENT AUDITORS ON FINANCIAL STATEMENTS

**The Board of Directors,
AGI Hospitality Limited**
Opp. Circle Office Education Office,
Ladowali Road,
Jalandhar City.

Dear Sirs,

Re: Proposed Public Issue of Equity Shares of AGI Hospitality Ltd.

We have examined the Financial Information of **AGI HOSPITALITY LIMITED** [hereinafter referred to as ‘**the Company**’] contained in the statements annexed to this report, which have been approved by the Board of Directors, proposed to be included in the Draft Prospectus / Prospectus in connection with the proposed Initial Public Offer of Equity Shares of the Company under the Fixed Price Method.

In terms of the requirement of:

- a. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the “Act”) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules (‘the Rules’), 2014;

The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, issued by SEBI on August 26, 2009, in pursuance of Section 11 A (1) (a) of Securities and Exchange Board of India Act (SEBI), 1992, ‘SEBI (ICDR) Regulations’;

Financial Information as per audited financial Statements:

- a. We have examined the accompanied ‘Statement of Restated Profits and Losses’ (**Annexure – II**) for the period ended 30th September, 2015 and for the years ended on 31st March, 2013, 2014 and 2015 and the ‘Statement of Restated Assets and Liabilities’ (**Annexure – I**) as on those dates, forming Part of the ‘Financial Information’ dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (**Annexure – IV & V**) thereon, which are the responsibility of the Company’s management. The information have been extracted from the financial statements for the financial year ended 31st March 2013, 2014 and 2015 and the six months period ended September 30, 2015 audited by M/s R.S. Kalra & Associates, Chartered Accountants being the Statutory auditors of the Company, and is re-audited by us for the period ended 30th September 2015 and for the financial year ended 31st March 2015. We did not carry out any validation tests or review procedures of financial statements for aforesaid financial year audited by M/s R.S. Kalra & Associates, Chartered Accountants and upon which we have placed our reliance while reporting.
- b. Based on the above (a) and also as per the reliance made on the reports submitted by the statutory auditor of the company for the respective years, we report as under:-
 - (i) The statement of Assets and Liabilities, and the Profits and Losses Account of the Company as at the end of the period ended 30th September 2015 and at the end of each of the three financial years ended on 31st March 2013, 2014 and 2015, reflect the assets and liabilities and profits and losses extracted from the Balance Sheets and Profit and Loss Accounts for the period ended 30th September 2015 and for the financial years ended 31st March 2013, 2014 and 2015 audited by M/s R.S. Kalra & Associates, Chartered Accountants being the Statutory auditors of the Company, and is re-audited by us for the period ended 30th September 2015 and for the financial year ended 31st March 2015, after making such adjustments, regrouping and disclosures as were, in our opinion, appropriate and required to be made in accordance with Clause (b) of paragraph 6.10.2.7 of “the SEBI (ICDR) Regulations.”
 - (ii) In our opinion, read with the respective Significant Accounting Policies and subject to/read together with the notes thereon and after making such adjustments, regroupings and disclosures as were, in our opinion, appropriate and required, the financial information referred to above and the other Financial Information

herein below, have been prepared in accordance with Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the “Act”) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules (‘the Rules’), 2014 and the SEBI (ICDR) Regulations.

Other Financial Information:

We have also examined the following other financial information relating to the Company proposed to be included in the Draft Prospectus / Prospectus, extracted from the period ended 30th September 2015 and from each of the financial years ended 31st March 2013, 2014 and 2015 audited by M/s R.S. Kalra & Associates, Chartered Accountants being the Statutory auditors of the Company, and is re-audited by us for the period ended 30th September 2015 and for the financial year ended 31st March 2015, and annexed to this report:

- i) Statement of the Cash Flow of the Company (Annexure – III)
- ii) Statement of Share Capital (Annexure – VI)
- iii) Statement of Reserves & Surplus (Annexure – VII)
- iv) Statement of Fixed Assets (Annexure – VIII)
- v) Statement of Other Non-Current Assets (Annexure IX)
- vi) Statement of Trade Receivables (Annexure –X)
- vii) Statement of Short Term Loans & Advances (Annexure – XI)
- viii) Statement of Other Current Assets (Annexure – XII)
- ix) Statement of Long Term Borrowings(Annexure – XIII)
- x) Statement of Other Current Liabilities (Annexure – XIV)
- xi) Statement of Revenue from Operations (Annexure – XV)
- xii) Statement of Other Income (Annexure – XVI)
- xiii) Schedule of Related Party Transactions (Annexure – XVII)
- xiv) Capitalization Statement (Annexure – XVIII)
- xv) Schedule of Contingent Liability (Annexure – XIX)
- xvi) Schedule of Dividend Paid (Annexure – XX)
- xvii) Summary of Accounting Ratios (Annexure – XXI)

This report should not in any way be construed to be a re-issuance or re-dating of any of the previous audit reports issued by the other firm of Chartered Accountants, nor should it be construed to be a new opinion on any of the financial statements referred to herein.

Our this report, is being provided solely for the use of AGI Hospitality Limited, for the purpose of its inclusion in the said Draft Prospectus / Prospectus in connection with the proposed Initial Public Offer of the Equity Shares of the Company.

For M/s. R. A. Marwaha & Co.,
Chartered Accountants
(Firm Registration No. 006393N)

Partner / Proprietor
C.A. Ashwani Kumar Randeve
Membership No: 086221

Place: Punjab
Date: January 14, 2016

Annexure I: STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED
(₹ in lakhs)

Particulars	September 30, 2015	As on March 31,		
		2015	2014	2013
I. EQUITY AND LIABILITIES				
(1) Shareholder's Funds				
(a) Share Capital	271.86	216.85	96.85	31.00
(b) Reserves and Surplus	238.51	(91.09)	-	-
Total Shareholder's Funds (A)	510.37	125.76	96.85	31.00
(2) Share application money pending allotment (B)	-	-	-	-
(3) Non-Current Liabilities				
(a) Long-term borrowings	761.09	358.17	286.79	75.42
(b) Deferred tax liabilities (Net)	-	-	-	-
Total Non-Current Liabilities (C)	761.09	358.17	286.79	75.42
(4) Current Liabilities				
(a) Trade payables	27.00	9.01	-	-
(b) Other current liabilities	30.72	40.81	76.23	7.72
Total Current Liabilities (D)	57.72	49.82	76.23	7.72
Total (A+B+C+D)	1,329.19	533.75	459.87	114.13
II. ASSETS				
(1) Non-current assets				
<i>(a) Fixed assets</i>				
(i) Tangible assets	573.17	483.88	-	-
(ii) Intangible assets	-	-	-	-
(iii) Capital work-in-progress	414.82	-	327.56	74.20
(iv) Intangible assets under development	-	-	-	-
(c) Deferred tax assets (net)	-	-	-	-
(d) Long term loans and advances	34.56	-	-	-
(e) Other non-current assets	150.00	-	6.17	3.27
Total Non-Current Assets (A)	1,172.56	483.88	333.73	77.47
(2) Current assets				
(a) Current investments	-	-	-	-
(b) Inventories	14.75	10.50	-	-
(c) Trade receivables	3.59	3.19	-	-
(d) Cash and cash equivalents	12.19	32.19	0.80	10.29
(e) Short-term loans and advances	121.30	-	119.10	25.69
(f) Other current assets	4.80	3.99	6.25	0.68
Total Current Assets (B)	156.63	49.87	126.14	36.66
Total (A+B)	1,329.19	533.75	459.87	114.13

Annexure II: STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED
(₹ in lakhs)

Particulars	September 30, 2015	For the year ended March 31,		
		2015	2014	2013
Income				
Revenue from Operations	40.03	82.33	-	-
Other Income	0.11	0.35	-	-
Total Income	40.14	82.68	-	-
Expenditure				
Purchases	19.97	53.40	-	-
Change in Inventories	(4.25)	(10.50)	-	-
Employee benefit expense	15.91	25.80	-	-
Financial costs	20.62	32.54	-	-
Depreciation and amortization expense	18.17	29.65	-	-
Other expenses	25.19	42.88	-	-
Total Expenses	95.61	173.77	-	-
Profit before exceptional and extraordinary items and tax	(55.47)	(91.09)	-	-
<i>Add: Exceptional Items</i>	-	-	-	-
Profit before extraordinary items and tax	(55.47)	(91.09)	-	-
<i>Less: Extraordinary Items</i>	-	-	-	-
Profit before tax	(55.47)	(91.09)	-	-
Tax expense:				
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Profit/(Loss) from the period from continuing operations	(55.47)	(91.09)	-	-
Profit/(Loss) from discontinuing operations	-	-	-	-
Tax expense of discounting operations	-	-	-	-
Profit/(Loss) from Discontinuing operations	-	-	-	-
Profit/(Loss) for the period	(55.47)	(91.09)	-	-

Annexure III: CASH FLOW STATEMENT, AS RESTATED
(₹ in lakhs)

Particulars	September 30, 2015	For the year ended March 31,		
		2015	2014	2013
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax as Restated	(55.47)	(91.09)	-	-
Adjustment for :				
Depreciation	18.17	29.65	-	-
Extra Ordinary Items	-	-	-	-
Interest / Dividend Income	-	(0.07)	-	-
(Profit) / Loss on sale on Fixed Assets	-	-	-	-
Financial Costs	20.62	32.54	-	-
Operating Profit before Working Capital Changes	(16.68)	(28.97)	-	-
<i>Adjustment for :-</i>				
(Increase) / Decrease in Inventories	(4.25)	(10.50)	-	-
(Increase) / Decrease in Trade Receivables	(0.39)	(3.19)	-	-
Increase / (Decrease) in Trade Payables	17.99	9.01	-	-
Increase / (Decrease) in Other current liabilities	(10.09)	(35.42)	68.51	7.72
(Increase) / Decrease in short term loans & Advances	(121.30)	119.10	(93.41)	(25.69)
(Increase) / Decrease in other Current Assets	(0.81)	2.26	(5.57)	(0.68)
Cash Generated from Operations	(135.53)	52.29	(30.46)	(18.65)
Direct Taxes Paid	-	-	-	-
Net cash from / (used in) operating activities (A)	(135.53)	52.29	(30.46)	(18.65)
CASH FLOW FROM INVESTING ACTIVITIES				
Capital work in progress	(414.82)	-	(253.35)	(74.20)
Purchase of Fixed Assets	(107.47)	(185.98)	-	-
Long Term loans and advances	(34.56)	-	-	-
Other non Current Investments	(150.00)	6.17	(2.90)	(3.27)
Interest / Dividend Income	-	0.07	-	-
Net cash from/ (used in) Investing activities (B)	(706.85)	(179.74)	(256.25)	(77.47)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds From issue of share capital (excluding Premium)	55.01	120.00	65.85	31.00
Share Premium	385.07	-	-	-
Increase/(Decrease) in Long Term Borrowing	402.93	71.38	211.37	75.42
Increase/Decrease in Long Term Loans & Advances	-	-	-	-
Increase/(Decrease) in Short Term borrowing	-	-	-	-
Financial Costs	(20.62)	(32.54)	-	-
Net cash from/ (used in) financing activities (C)	822.39	158.84	277.22	106.42
Net (Decrease)/Increase in cash and Cash Equivalents (A+B+C)	(20.00)	31.39	(9.49)	10.29
Cash and cash equivalents at beginnings of year	32.19	0.80	10.29	-
Cash and cash equivalents at end of year	12.19	32.19	0.80	10.29

Annexure IV - SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

- a. Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013
- b. The Company follows the mercantile system of accounting on a going concern basis.

B. Use of Estimates

These preparation of financial statement is in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of financial statements are reported amounts of incomes and expenses during the period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management become aware of changes in circumstances surrounding the estimates.

C. Fixed Assets, including Intangible Assets and Capital Work in Progress

- a) Fixed assets are stated at cost of acquisition or construction (net of Cenvat Credits). All cost relating to the acquisition and installation of fixed assets are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, up to the date of asset is put to use and adjustment arising out of exchange rate variation relating to liabilities attributable to those fixed assets. They are stated at historical cost less depreciation.
- b) Capital Work-In-Progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

D. Depreciation and Amortization

Depreciation has been provided based on Straight Line Method assigned to each asset in accordance with schedule II of the Companies Act 2013.

E. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- a) Sales are accounted for on handed over of goods or services to the customers and are exclusive of the Service Tax, sales tax and luxury tax if any.
- b) Dividend income and insurance claim has been accounted on cash basis.
- c) Commission income, profits on sale of Assets, Investment, Rental Income, and Int. on FDR are accounted on accrual basis.

F. Inventories

- a) Inventories of Raw materials are valued at cost, determined on FIFO basis. Cost of Raw Materials Stocks is determined so as to exclude from cost, taxes and duties, which are subsequently Recoverable from taxing authorities.
- b) Stock of Work-in-progress valued at estimated cost.
- c) Stock of finished goods is valued at cost or market price whichever is less.

G. Foreign Currency Transactions

Sometimes the payments are received from the NRI customers in foreign exchange and the amount received after conversion is credited to their accounts. Question of exchange difference does not arise.

H. Investment

Investments are classified into long-term investments and short-term investments. Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Long Term Investments & Short Term Investments are carried at cost. No provisions for diminution has been made as in the opinion of the management the diminution are temporary in nature.

I. Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date to determine if there is any indication of impairment thereof based on external/ internal factors. An impairment loss in accordance with Accounting Standard-28 "Impairment of Assets " is recognized wherever the carrying amount of an assets exceeds its recoverable amount, which represent the greater of the net selling price of assets and their value in use. An impairment loss recognized in prior accounting period is reversed if there has been a change in estimate of recoverable amount.

J. Retirement and other Employee Benefits

- a) Gratuity - Liabilities in respect of Gratuity will be assessed and provided as and when the same becomes applicable. No employee has completed 5 years of service in the company as on date i.e 31.03.2015
- b) Provident Fund and Leave Encashment - A liability in respect of Provident Fund & Leave Encashment is provided in the accounts on accrual basis for the period.

K. Segment Reporting

- a) The company is dealing in hospitality Business. There is no other segment in which company is engaged.

L. Borrowing cost

Borrowing Cost directly attributable to the acquisition or construction of qualifying assets is capitalized. Other borrowing cost is recognized as expenses in the period in which they are incurred.

M. Taxation

- a) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- b) Deferred tax is recognized, on timing differences, being the Difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Keeping in view the heavy business losses it is prudent not to recognise Deferred Tax Liability.
- c) Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during specified period. The year in which the MAT credit becomes eligible, it is to be recognized as an asset. In accordance with recommendation contained in the guidance note issued by ICAI, said asset is created by way of credit/reversal of provisions to Profit and Loss A/c and shown as MAT Credit Entitlements in Loans and Advances. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

N. Provisions, Contingent Liabilities and Contingent Assets:

The company does not foresee any contingent liability or assets in the near future.

O. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

P. There are no Auditor's Qualifications in the Financial Statements of the Company.

Annexure V: NOTES TO ACCOUNTS

1. Managerial Remuneration:

(₹ in lakhs)

Particulars	September 30, 2015	For the Year Ended March 31,		
		2015	2014	2013
<i>Whole Time Directors Remuneration</i>				
Mr. Sukhdev Singh	-	-	-	-
Mrs. Salwinderjit Kaur	-	-	-	-
<i>Non Whole Time Directors Remuneration</i>	-	-	-	-
Sitting Fees	-	-	-	-

2. Remuneration to Statutory Auditors:

(₹ in lakhs)

Particulars	September 30, 2015	For the year ended March 31,		
		2015	2014	2013
Audit Fees	-	0.10	0.10	0.10
Taxation Matters	-	-	-	-
ROC Matters	-	-	-	-
Total	-	0.10	0.10	0.10

3. The Company has not received any intimation from suppliers regarding their status under micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year end as required under the said Act have not been furnished.

4. In the opinion of Board of Directors, the value of realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which these are stated in the balance sheet.

5. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.

6. Contingent Liability

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprises, or is a possible obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

7. Earnings Per share

Basic & Diluted Earnings per Share is calculated on Weighted Average number of Equity shares during the year.

8. Previous year figures have been re-grouped and reclassified wherever necessary to confirm to the current year classification.

OTHER ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

Regrouping Notes for Balance Sheet

1. Short term loans and advances are regrouped as Trade receivables for the year ended 31st March, 2015 and for the period ended 30 Sep, 2015.
2. Trade payables are regrouped as Other current liabilities for the year ended 31st March, 2013 and 2014 of the amount Rs 6.82 lakhs and Rs 45.88 Lakhs respectively.
3. Fixed Assets are regrouped as Capital work in progress for the year ended 31st March, 2013 and 2014 of the amount Rs 74.20 Lakhs and Rs 327.56 Lakhs respectively.
4. Current maturities of long term borrowings have been classified into current liabilities, which were previously clubbed with the long term borrowings for the year ended March 31, 2014, 2015 and period ended Sep 30, 2015.

Annexure VI: DETAILS OF SHARE CAPITAL, AS RESTATED

(₹ in lakhs)

Particulars	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Equity Share Capital				
Authorised Share capital				
Equity Shares of ₹ 10/- each	300.00	300.00	100.00	100.00
Total	300.00	300.00	100.00	100.00
Issued, Subscribed and Fully Paid Up Share Capital				
Equity Shares of ₹ 10/- each	271.86	216.85	96.85	31.00
Total	271.86	216.85	96.85	31.00

Annexure VII: DETAILS OF RESERVES & SURPLUS, AS RESTATED

(₹ in lakhs)

Particulars	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Share Premium	385.07			
Surplus (Profit & Loss Account)	-	-	-	-
Opening Balance	(91.09)	-	-	-
Add: Profit for the year	(55.47)	(91.09)	-	-
Closing Balance	(146.56)	(91.09)	-	-
Total	238.51	(91.09)	-	-

Annexure VIII: STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in lakhs)

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Building	315.63	226.38	-	-
Add : Addition	0.53	89.25	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	2.47	3.44	-	-
Less: Accumulated Depreciation	3.44	-	-	-
Net Block	310.24	312.19	-	-
Cold Room	4.06	4.06	-	-
Add : Addition	0.06	-	-	-

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.22	0.34	-	-
Less: Accumulated Depreciation	0.34	-	-	-
Net Block	3.56	3.72	-	-
Electric Fittings	11.29	8.72	-	-
Add : Addition	-	2.57	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.50	0.73	-	-
Less: Accumulated Depreciation	0.73	-	-	-
Net Block	10.06	10.56	-	-
Kitchen Equipments	39.74	35.22	-	-
Add : Addition	-	4.52	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	4.89	8.89	-	-
Less: Accumulated Depreciation	8.89	-	-	-
Net Block	25.97	30.85	-	-
Laundry Machines	7.13	7.13	-	-
Add : Addition	-	-	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.22	0.32	-	-
Less: Accumulated Depreciation	0.32	-	-	-
Net Block	6.60	6.81	-	-
Lift	28.20	25.85	-	-
Add : Addition	-	2.35	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	1.53	2.37	-	-
Less: Accumulated Depreciation	2.37	-	-	-
Net Block	24.30	25.83	-	-
Linen & Uniform	2.42	1.56	-	-
Add : Addition	-	0.86	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.40	0.81	-	-
Less: Accumulated Depreciation	0.81	-	-	-
Net Block	1.21	1.61	-	-
Power Factor Panel	4.16	4.16	-	-
Add : Addition	-	-	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.18	0.28	-	-
Less: Accumulated Depreciation	0.28	-	-	-
Net Block	3.69	3.88	-	-
Pumps, Plants & Machinery	5.29	5.29	-	-
Add : Addition	-	-	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.16	0.24	-	-
Less: Accumulated Depreciation	0.24	-	-	-
Net Block	4.89	5.05	-	-

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Solar Water Heater	2.47	2.36	-	-
Add : Addition	0.06	0.11	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.11	0.16	-	-
Less: Accumulated Depreciation	0.16	-	-	-
Net Block	2.25	2.30	-	-
Transformer	6.00	6.00	-	-
Add : Addition	-	-	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.27	0.40	-	-
Less: Accumulated Depreciation	0.40	-	-	-
Net Block	5.33	5.60	-	-
UPS System	0.83	0.83	-	-
Add : Addition	-	-	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.06	0.09	-	-
Less: Accumulated Depreciation	0.09	-	-	-
Net Block	0.68	0.74	-	-
Air Conditioner	12.54	-	-	-
Add : Addition	1.26	12.54	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.57	0.84	-	-
Less: Accumulated Depreciation	0.84	-	-	-
Net Block	12.39	11.70	-	-
Computer & Printer	7.54	-	-	-
Add : Addition	1.31	7.54	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.59	0.80	-	-
Less: Accumulated Depreciation	0.80	-	-	-
Net Block	7.46	6.74	-	-
Crockery Cutlery	30.52	-	-	-
Add : Addition	0.06	30.52	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	3.80	6.52	-	-
Less: Accumulated Depreciation	6.52	-	-	-
Net Block	20.25	23.99	-	-
Electrical Equipment	1.31	0.00	-	-
Add : Addition	0.00	1.31	-	-
Less : Deduction	0.00	0.00	-	-
Less: Depreciation for the year	0.06	0.08	-	-
Less: Accumulated Depreciation	0.08	0.00	-	-
Net Block	1.17	1.22	-	-

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Equipments	8.62	-	-	-
Add : Addition	-	8.62	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.71	1.12	-	-
Less: Accumulated Depreciation	1.12	-	-	-
Net Block	6.78	7.49	-	-
Furniture	23.78	-	-	-
Add : Addition	-	23.78	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	1.30	1.98	-	-
Less: Accumulated Depreciation	1.98	-	-	-
Net Block	20.51	21.80	-	-
Gas Bank	1.08	-	-	-
Add : Addition	-	1.08	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.02	0.02	-	-
Less: Accumulated Depreciation	0.02	-	-	-
Net Block	1.04	1.05	-	-
Projector	0.95	-	-	-
Add : Addition	-	0.95	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	0.12	0.21	-	-
Less: Accumulated Depreciation	0.21	-	-	-
Net Block	0.62	0.74	-	-
Shops on Lease	-	-	-	-
Add : Addition	104.20	-	-	-
Less : Deduction	-	-	-	-
Less: Depreciation for the year	-	-	-	-
Less: Accumulated Depreciation	-	-	-	-
Net Block	104.20	-	-	-
GROSS BLOCK	591.34	513.53	-	-
DEPRECIATION	18.17	29.65	-	-
NET BLOCK	573.17	483.88	-	-

Annexure IX: STATEMENT OF NON CURRENT ASSETS, AS RESTATED

(₹ in lakhs)

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Pre Operative Expenses	-	-	6.17	3.27
Security against Land on Lease	150.00	-	-	-
Total	150.00	-	6.17	3.27

Annexure X: STATEMENT OF TRADE RECEIVABLES, AS RESTATED
(₹ in lakhs)

Particulars	September 30, 2015	For the year ended March 31,		
		2015	2014	2013
Outstanding for period exceeding 6 months	-	-	-	-
From Promoter/Promoter Group				
From Others				
Outstanding for period less than 6 months				
From Promoter/Promoter Group	-	-	-	-
From Others	3.59	3.19	-	-
Total	3.59	3.19	-	-

Annexure XI: STATEMENT OF SHORT TERM LOANS AND ADVANCES, AS RESTATED
(₹ in Lakhs)

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Advance to Suppliers	-	-	119.10	25.69
Other Advances	121.30	-	-	-
Total	121.30	-	119.10	25.69

Annexure XII: STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED
(₹ in lakhs)

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Input Tax Credit	-	-	4.49	-
Security Against Electricity	1.76	1.76	1.76	-
Prepaid Insurance	-	0.06	-	-
Prepaid License Fees	1.27	1.07	-	-
Gas Security	0.27	0.27	-	-
Advance Tax - VAT	0.64	0.64	-	-
Advance to Staff	0.09	-	-	-
Others	0.12	0.12	-	0.68
TDS	0.03	0.01	-	-
TDS Recoverable	0.55	-	-	-
TCS	0.06	0.05	-	-
Total	4.80	3.99	6.25	0.68

Annexure XIII: STATEMENT OF LONG TERM BORROWINGS, AS RESTATED
(₹ in lakhs)

Particulars	September 30, 2015	For the Year Ended March 31,		
		2015	2014	2013
Secured Loans				
Term Loans				
-From Banks & Financial Institutions	681.09	279.88	226.09	45.04
Unsecured Loans				
Other Loans & Advances				
-From Directors & Related Parties	26.83	25.12	28.00	-
-From Others	53.16	53.17	32.70	30.38
Total	761.09	358.17	286.79	75.42
Current Portion of Long Term borrowings included under other current liabilities	15.19	28.89	29.69	-

Note: For details of the Terms of Sanction, Maturity and other details of Secured Loans please refer chapter "Financial Indebtedness" on page no. 139 of this Draft Prospectus.

The amount in Annexure XIII includes:

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Secured Borrowings	696.28	308.77	255.78	45.04
Unsecured Borrowings	80.00	78.29	60.70	30.38

Annexure XIV: STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
TDS Payable	0.55	0.71	0.56	0.80
Audit Fee Payable	-	0.10	0.10	0.10
Other payables	-	-	45.88	6.82
Current maturity of long term debt	15.19	28.89	29.69	-
Advance to staff	-	0.14	-	-
Bonus Payable	-	0.79	-	-
Electricity Expenses Payable	5.18	1.59	-	-
EPF Payable	0.49	0.50	-	-
ESI Payable	0.13	0.13	-	-
Labour Welfare Fund Payable	0.09	0.05	-	-
Leave Encashment Payable	-	1.41	-	-
Luxury Tax Payable	0.17	0.27	-	-
Party Advance	0.36	0.69	-	-
Room Advance	0.12	0.15	-	-
Salary & Wages Payable	1.58	1.61	-	-
Service Tax Payable	2.02	2.88	-	-
VAT Payable	0.84	0.89	-	-
Rent Security	3.00	-	-	-
TDS Payable-Property	1.00	-	-	-
Total	30.72	40.81	76.23	7.72

Annexure XV: STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹ in lakhs)

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Sales	40.03	82.33	-	-
Total Revenue from Operations (Net)	40.03	82.33	-	-

Annexure XVI: STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in lakhs)

Particulars	September 30, 2015	For the year ended March 31,		
		2015	2014	2013
Interest Recd	-	0.07	-	-
Rebate & Discount	0.02	0.17	-	-
Laundry & Washing Income	0.05	0.10	-	-
Misc Income	0.04	0.02	-	-
Total	0.11	0.35	-	-

Note: Profit before tax figures are negative i.e. loss in both the years. So the ratio of other income to profit before tax is not calculated.

Annexure XVII: STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED

Details of related parties and description of relationship					
Particulars	Nature of Relationship	Six months ended September 30, 2015	Financial years ended,		
			2015	2014	2013
Names of related parties with whom transactions have taken place and their relationship					
Key Managerial Personnel	Director	Sukhdev Singh	Sukhdev Singh	Sukhdev Singh	Sukhdev Singh
	Director	Salwinderjit Kaur	Salwinderjit Kaur	Salwinderjit Kaur	Salwinderjit Kaur
Relatives of Key Managerial Personnel	-	-	-	-	-
Associates / Enterprises over which directors and / or their relatives has significant influence	Firm wherein director is Proprietor	Aay Jay Builders	Aay Jay Builders	Aay Jay Builders	Aay Jay Builders
	Company in which relative is Director	AGI Infra Ltd.	AGI Infra Ltd.	AGI Infra Ltd.	AGI Infra Ltd.
Enterprise having substantial voting rights	-	-	-	-	-

Transactions pertaining to Key Managerial Personnel
(₹ in lakhs)

Nature of Transaction	Six months ended September 30, 2015	Financial years ended,		
		2015	2014	2013
1) Finance				
Loan taken	27.35	33.70	28.00	-
Repayment of loan taken	0.52	8.58	-	-
Investment in Equity	269.86	214.85	25.00	10.00
2) Expenses				
Rent	-	2.40	-	-

Transactions pertaining to Associate companies/Entities
(₹ in lakhs)

Nature of Transaction	Six months ended September 30, 2015	Financial years ended,		
		2015	2014	2013
1) Purchase & Sales				
Fixed Asset	104.20	-	-	-
2) Finance				
Advance Given	15.00	-	-	-
3) Outstanding				
Receivables	12.13	-	-	-

Annexure XVIII: STATEMENT OF CAPITALIZATION
(₹ in lakhs)

Particular	Pre Issue (as at 30 th September, 2015)	Post Issue
Debt		
Long Term Debt	761.09	761.09

Particular	Pre Issue (as at 30 th September, 2015)	Post Issue
Short Term Debt	-	-
Total Debts (A)	761.09	761.09
Equity (Shareholder's funds)		
Equity share capital	271.86	783.72
Reserve and Surplus	238.51	686.65
Total Equity(B)	510.37	1470.37
Long Term Debt / Equity Shareholder's funds	1.49:1	0.52:1
Total Debts / Equity Shareholder's funds	1.49:1	0.52:1

Note:

1. The above has been computed on the basis of Restated Summary Statements of the Company.

Annexure XIX: STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Contingent Liabilities	NIL	NIL	NIL	NIL

Annexure XX: STATEMENT OF DIVIDEND DECLARED, AS RESTATED

(₹ in lakhs)

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
On Equity Shares				
Fully paid up Share Capital	271.86	216.85	96.85	31.00
Face Value (Rs)	10.00	10.00	10.00	10.00
Paid up Value (Rs)	10.00	10.00	10.00	10.00
Rate of Dividend	-	-	-	-
Dividend Amount	-	-	-	-
Corporate Dividend Tax	-	-	-	-

Annexure XXI: STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in lakhs)

Particular	September 30, 2015	For the year ended on March 31,		
		2015	2014	2013
Restated PAT as per P & L Account	(55.47)	(91.09)	-	-
Actual Number of Equity Shares outstanding at the end of the year	2,718,600	2,168,500	968,500	310,000
Equivalent Weighted Average number of Equity Shares at the end of the year	2,240,651	984,938	415,847	8,904
Net Worth ⁽²⁾	510.37	125.76	96.85	31.00
Earnings Per Share:				
Basic & Diluted ⁽³⁾	(2.48) ⁽¹⁾	(9.25)	-	-
Return on Net Worth (%)	(10.87)%	(72.43)%	-	-
Net Asset Value Per Share(₹) - based on actual no. of equity shares at the end of the year	18.77	5.80	10.00	10.00
Nominal Value per Equity share (₹)	10.00	10.00	10.00	10.00

⁽¹⁾ Not annualised

Notes to Accounting Ratios:

- a. The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.
- b. Formulas used for calculating above ratios are as under:
 - i. There is no revaluation reserve in last three years of the Company. Net Worth is Equity Share Capital + Reserves and Surplus – Preliminary expenses not written off.
 - ii. As there is no dilutive capital in the company, Basic and Diluted EPS are same.
 - iii. Basic EPS is being calculated by using the formula: Net Profit after excluding Extra-ordinary items / Weighted Average No. of outstanding shares.
 - iv. Net Asset Value is being calculated by using the formula: (Equity Share Capital + Reserves and Surplus – Preliminary Expenses not written off)/Number of Equity Shares at year end.
 - v. Return on Net worth is being calculated by using the formula: Profit After Tax/(Equity Share Capital +Reserves and Surplus – Preliminary Expenses not written off).

CHANGE IN ACCOUNTING PERIOD

There has been no change in the accounting period of the Company.

SALE OR PURCHASE BETWEEN OUR COMPANY AND GROUP COMPANIES

There have been no transactions of sale or purchase between our Company and the Group Companies exceeding 10% of our total sale or purchases.

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

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

Business Overview

AGI Hospitality Ltd., incorporated in the year 2012, is the Hospitality Arm of the group. This company is currently running a Deluxe Hotel, namely, "AGI Inn", comprising of 16 rooms in Jalandhar. After soft-launching the project in May 2014, the hotel has become fully operational since August 01, 2014.

"The AGI Inn", Jalandhar has a unique combination of state of the art interiors and old world hospitality services culture. It caters to the domestic as well as international tourist or business travelers. As part of the AGI inn, we are currently operating various F&B outlets namely "Sky Lounge", "Flavors" and "Alcove" and various banquet facilities namely "Empress", "Princess" and "Ruby" which cater to different dining experiences as well as varied type of events. We have also acquired land parcel admeasuring 229.93 sq. meters adjacent to our "Hotel – AGI Inn" for future expansion purposes.

Our long term focus is on the F&B and Banquet businesses which we believe have a higher demand and better profitability as compared to the lodging business in general and hence we have also acquired 3 different shops at "AGI Business Centre" on Garha Road, Jalandhar which we may in the future be able to convert into restaurants or catering outlets. These shops are currently leased out on rent to outside parties for rental income. We also plan to concentrate on the fast growing wedding market in Northern India and we are hence setting up a banquet hall and wedding palace at G.T. Road in Jalandhar for which we have already acquired 3073.08 sq. meters of land and the remaining land of 3262.78 sq. meters and construction cost is being proposed to be completed from the net proceeds of the issue. For further details please refer to "Objects of the Issue" beginning on page no. 47 of this Draft Prospectus.

As on 30th November, 2015 we employ 28 people on our payroll, all of whom are currently dedicated to our varied offerings at AGI Inn.

Significant Developments after September 30, 2015 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

Factors affecting our Result of Operation

Our result of operations depend on various factors, including the following

Demand and Supply

Demand and supply of hotel accommodation at the locations where our existing and proposed hotel properties are or are planned to be located affect our results of operations. In particular, our occupancy rates, average room rates and revenues are subject to demand and supply fluctuations. Demand for hotel accommodation is influenced by factors such as availability and location of hotel rooms, prices, available services and at times seasonality.

Operating and Other Expenses

Our financial results are affected by occupancy and room rates achieved by our hotels, our ability to control the cost of developing and operating additional rooms and the success of our food and beverage operations. Our results of operations are also affected by changes in the cost of electricity, insurance and environmental compliance. Further, our hotels have to be renovated periodically to keep up with changing trends and consumer demands, and such renovation may involve significant development and maintenance costs.

Changes in Economy

The hotel business is cyclical and sensitive to changes in the economy in general. Our financial results are affected by factors such as changes in global and domestic economies, changes in local market conditions, changes in interest rates, the availability of finance and other similar factors. Since demand for hotels is affected by economic growth in India as well as globally, a global or domestic recession could lead to a downturn in the hotel industry. Such adverse developments in the hotel industry in India or in the cities where our hotels are located would have a negative impact on our profitability and financial condition. We expect the growth in the Indian economy to continue to be the driver for growth in the hospitality sector. We believe, increase in disposable incomes, as well as in business opportunities are expected to stimulate both leisure and business travel, thereby leading to increased demand for hotels.

Competition

Hotel industry is highly competitive and the hotels owned, managed or operated by us compete for guests with other hotels in the same city. Our success would be dependent on our ability to compete in areas such as room rates, quality of accommodation, service levels, and brand recognition among others.

Marketing Strategies

We devote significant attention to our brand-building efforts. We use various innovative forms of advertising and marketing with a view to constantly create more awareness of our brand in the market and to reach out to more and more customers. We believe such initiative contributes significantly in increasing our sales. We plan on continuing to build our brand and retail sales by satisfying customers with our service and by continuing to invest significant amounts in the advertising and marketing.

For further details please see Section titled “*Risk Factors*” and Chapter titled “*Industry Overview*” on page no 9 and 63 respectively.

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

- a. Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013
- b. The Company follows the mercantile system of accounting on a going concern basis.

B. Use of Estimates

These preparation of financial statement is in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of financial statements are reported amounts of incomes and expenses during the period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management become aware of changes in circumstances surrounding the estimates.

C. Fixed Assets, including Intangible Assets and Capital Work in Progress

- a) Fixed assets are stated at cost of acquisition or construction (net of Cenvat Credits). All cost relating to the acquisition and installation of fixed assets are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, up to the date of asset is put to use and adjustment arising out

of exchange rate variation relating to liabilities attributable to those fixed assets. They are stated at historical cost less depreciation.

- b) Capital Work-In-Progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

D. Depreciation and Amortization

Depreciation on items listed in Schedule XIV of the Companies Act, 1956 is charged according to the W.D.V. method at rates specified in the said Schedule. Depreciation on Assets acquired/purchased during the year is provided on pro-rata basis according to the period each asset was put to use during the year.

E. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- a) Revenue from job work is recognized on the basis of % completed service contract.
- b) Sales are accounted for on dispatch of goods to the customers and are exclusive of the Excise, sales return rebate & discount, rate difference but inclusive of the sales tax, if any.
- c) Dividend income and insurance claim has been accounted on cash basis.
- d) Commission income, profit on sale of Assets, Investment, Export incentives, Int. on FDR are accounted on accrual basis.

F. Inventories

- a) Inventories of Raw materials are valued at cost, determined on FIFO basis. Cost of Raw Materials Stocks is determined so as to exclude from cost, taxes and duties, which are subsequently Recoverable from taxing authorities.
- b) Stock of Work-in-progress valued at estimated cost.
- c) Stock of finished goods is valued at cost or market price whichever is less.

G. Foreign Currency Transactions

Sometimes the payments are received from the NRI customers in foreign exchange and the amount received after conversion is credited to their accounts. Question of exchange difference does not arise.

H. Investment

Investments are classified into long-term investments and short-term investments. Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Long Term Investments & Short Term Investments are carried at cost. No provisions for diminution has been made as in the opinion of the management the diminution are temporary in nature.

I. Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date to determine if there is any indication of impairment thereof based on external/ internal factors. An impairment loss in accordance with Accounting Standard-28 "Impairment of Assets " is recognized wherever the carrying amount of an assets exceeds its recoverable amount, which represent the greater of the net selling price of assets and their value in use. An impairment loss recognized in prior accounting period is reversed if there has been a change in estimate of recoverable amount.

J. Retirement and other Employee Benefits

- Gratuity - Liabilities in respect of Gratuity will be assessed and provided as and when the same becomes applicable. No employee has completed 5 years of service in the company as on date i.e 31.03.2015
- Provident Fund and Leave Encashment - A liability in respect of Provident Fund & Leave Encashment is provided in the accounts on accrual basis for the period.

K. Segment Reporting

- The company is dealing in hospitality Business. There is no other segment in which company is engaged.

L. Borrowing cost

Borrowing Cost directly attributable to the acquisition or construction of qualifying assets is capitalized. Other borrowing cost is recognized as expenses in the period in which they are incurred.

M. Taxation

- Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- Deferred tax is recognized, on timing differences, being the Difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Keeping in view the heavy business losses it is prudent not to recognise Deferred Tax Liability.
- Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during specified period. The year in which the MAT credit becomes eligible, it is to be recognized as an asset. In accordance with recommendation contained in the guidance note issued by ICAI, said asset is created by way of credit/reversal of provisions to Profit and Loss A/c and shown as MAT Credit Entitlements in Loans and Advances. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

N. Provisions, Contingent Liabilities and Contingent Assets:

The company does not foresee any contingent liability or assets in the near future.

O. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

- There are no Auditor's Qualifications in the Financial Statements of the Company.

Results of our Operations

(₹ in lakhs)

Particulars	As on Sep 30, 2015	% of Total Income	As at March 31,					
			2015	% of Total Income	2014	% of Total Income	2013	% of Total Income
INCOME								
Revenue from operations	40.03	99.74	82.33	99.57	-	-	-	-
Other Income	0.11	0.26	0.35	0.43	-	-	-	-
TOTAL REVENUE	40.14	100.00	82.68	100.00	-	-	-	-
EXPENDITURE								
Purchase of stock in trade	19.97	49.75	53.40	64.58	-	-	-	-

Particulars	As on Sep 30, 2015	% of Total Income	As at March 31,					
			2015	% of Total Income	2014	% of Total Income	2013	% of Total Income
Change in Inventories of Stock in trade	(4.25)	(10.59)	(10.50)	(12.70)	-	-	-	-
Employee Benefit Expense	15.91	39.64	25.80	31.20	-	-	-	-
Finance Cost	20.62	51.36	32.54	39.35	-	-	-	-
Depreciation and amortization cost	18.17	45.28	29.65	35.86	-	-	-	-
Other expense	25.19	62.76	42.88	51.86	-	-	-	-
TOTAL EXPENDITURE	95.61	238.20	173.77	210.17	-	-	-	-
PROFIT BEFORE EXCEPTIONAL & EXTRA ORDINARY ITEMS AND TAX	(55.47)	(138.20)	(91.09)	(110.17)	-	-	-	-
EXCEPTIONAL ITEMS	-	-	-	-	-	-	-	-
PROFIT BEFORE TAX	(55.47)	(138.20)	(91.09)	(110.17)	-	-	-	-
TAX EXPENSES								
Current Tax	-	-	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-	-	-
PROFIT (LOSS) FOR THE PERIOD	(55.47)	(138.20)	(91.09)	(110.17)	-	-	-	-

Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue is from giving rooms and banquets on rent and from F&B as a percentage of total income for the six months period ended September 30, 2015 and for the fiscal year ended 2015 is 99.74%, 99.57% respectively.

Other Income

Our other income includes Interest received, rebates and discounts, Laundry & washing charges received and other miscellaneous incomes. Other income, as a percentage of total income for the six months period ended September 30, 2015 and for the fiscal year ended 2015 is 0.26%, 0.43% respectively

Expenditure

Our total expenditure primarily consists of Purchases, Changes in Inventories, Employee Benefit Expenses, Financial Cost, Depreciation and Amortization Expenses and Other expenses.

Purchases

Costs of Purchases are primarily in relation to the purchases of Food & Beverages.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include salary, bonus and allowances, workmen and staff welfare costs, etc.

Other Expenses

Other expenses primarily include Electricity expense, Safe & Security, Gas & Fuel and Office expenses, etc

Financial Cost

The financial cost include interest charges payable for the short term and long term loans including working capital loans, interest charges on loans for purchase of certain equipment and financial charges like processing fees for loans.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation/amortization on the fixed assets and Intangible Assets of our Company which primarily includes Electrical Equipments, Crockery & cutlery, Furniture and fixtures, Computers and Office Equipments.

Provision for Tax

Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Keeping in view the heavy business losses it is prudent not to recognise Deferred Tax Liability.

Review for the six (6) months period ended September 30, 2015

Income

Our total income for the six months period ended September 30, 2015 was ₹ 40.14 Lakhs. In the current period, the revenue earned from operations is ₹ 40.03 lakhs or 99.74% of the total income. Other income for said period was recorded at ₹0.11 lakhs or 0.26% of total income.

Purchases

Our purchases for the six months period ended September 30, 2015 were ₹19.97 lakhs. As a proportion of our total income they were 49.75%.

Employee Benefit Expenses

Our Employee Benefit Expenses for the six months period ended September 30, 2015 were ₹ 15.91 lakhs. As a proportion of our total income they were 39.64%.

Other Expenses

Our Other Expenses for the six months period ended September 30, 2015 ₹ 25.19 lakhs. As a proportion of our total income they were 62.76%.

Financial Cost

Our Financial Cost for the six months period ended September 30, 2015 was 20.62 lakhs.

Depreciation and Amortization Expenses

Our Depreciation and Amortization Expenses for the six months period ended September 30, 2015 were ₹18.17 lakhs. As a proportion of total income they were 45.28%.

Profit before Tax

Profit before Tax for the six months period ended September 30, 2015 was ₹ (55.47) lakhs.

Profit after Tax

Profit after Tax for the six months period ended September 30, 2014 was ₹ (55.47) lakhs.

Note: No comparisons between financial years available as F. Y. 2014-15 is the first year of operations of our Company.

Cash Flows

(₹ in lakhs)

Particulars	6 months period ended September 30, 2015	Year ended March 31,		
		2015	2014	2013
Net Cash from Operating Activities	(135.53)	52.29	(30.46)	(18.65)
Net Cash from Investing Activities	(706.85)	(179.74)	(256.25)	(77.47)
Net Cash from Financing Activities	822.39	158.84	277.22	106.42
Net Increase/(Decrease) in Cash & Cash Equivalents	(20.00)	31.39	(9.49)	10.29

Cash Flows from Operating Activities

Net cash from operating activities for the six months period ended September 30, 2015 was negative at ₹ 135.53 lakhs as compared to the PBT of ₹ (55.47) lakhs for the same period. This is primarily on account of increase in short term loans and advances and increase in inventories and trade receivables.

Net cash from operating activities in fiscal 2015 was ₹52.29 lakhs as compared to the PBT of ₹ (91.09) lakhs for the same period. This difference is primarily on account of decrease in short term loans and advances and other current liabilities and inventories.

Net cash from operating activities in fiscal 2014 was negative ₹ 30.46 lakhs. This is primarily on account of increase in short term loans and advances and decrease in other current liabilities.

Net cash from operating activities in fiscal 2013 was negative ₹18.65 lakhs. This is primarily on account of increase in short term loans and advances.

Cash Flows from Investment Activities

For the six months period ended September 30, 2015, the net cash invested in Investing Activities was negative ₹706.85 lakhs, mainly on account of purchase of Fixed Assets, capital work in progress and Increase in noncurrent assets.

In fiscal 2015, the net cash invested in Investing Activities was negative ₹179.74 lakhs. This expenditure was on account of purchase of Fixed Assets and decrease in noncurrent assets.

In fiscal 2014, the net cash invested in Investing Activities was negative ₹256.25 lakhs. This expenditure was on account of purchase of Capital work in progress.

In fiscal 2013, the net cash invested in Investing Activities was negative ₹77.47 lakhs. This expenditure was on account of purchase of Fixed Assets and decrease in noncurrent assets.

Cash Flows from Financing Activities

Net cash from financing activities for the six months period ended September 30, 2015 was 822.39 lakhs primarily due to increase in long term borrowings and proceeds from issue of Share Capital and share premium.

Net cash from financing activities in fiscal 2015 was ₹ 158.84 lakhs primarily due to increase in long term borrowings and proceeds from issue of Share Capital.

Net cash from financing activities in fiscal 2014 was ₹ 277.22 lakhs primarily due to increase in long term borrowings and proceeds from issue of Share Capital.

Net cash from financing activities in fiscal 2013 was ₹ 106.42 lakhs primarily due to increase in long term borrowings and proceeds from issue of Share Capital.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing Operations

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on page nos. 113 and 130 respectively of this Draft Prospectus respectively, to our knowledge there are no Significant economic changes that materially affected or are likely to affect income from continuing Operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on page nos. 9 and 130 respectively of this Draft Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4. Future relationship between Costs and Income

Other than as described in the chapter titled “*Risk Factors*” beginning on page no. 9 of this Draft Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of services or increased prices

Increases in revenues are by and large linked to increases in volume of business activity carried out by the Company.

6. Total turnover of each major industry segment in which the issuer company operates.

The Company is a Hotel and Hospitality based Company and is in the business of renting rooms, food & beverages and providing banquets for weddings. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no. 63 of this Draft Prospectus.

7. Status of any publicly announced new products or business segments

Please refer to the chapter titled “*Our Business*” beginning on page no. 70 of this Draft Prospectus.

8. The extent to which the business is seasonal.

Our business is seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers

We cater to a wide customer base including international and domestic business and leisure travellers. The threat from excessive dependence on a single customer is not significant as the customer base is well diversified. We source our raw materials from diverse suppliers.

10. Competitive Conditions

Despite the fact that we are not affected by competition in the short-term, our results of operations could be affected by competition in the Hotel & Hospitality industry. We expect competition to intensify due to possible changes in government policy, existing competitors further expanding their operations and our entry into markets where we may compete with well-established fabric entities. This we believe may impact our financial condition and operations.

FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of our Company's borrowings as on September 30, 2015, together with a brief description of certain significant terms of such financing agreements.

Nature of Borrowing	Amount (₹ in lakhs)
Secured Borrowings	696.28
Unsecured Borrowings	80.00
Total	776.28

Details of Secured Loans:

Name of Lender	Date of Sanction	Nature of Loan	Amount Sanctioned (₹ in lakhs)	Amount Outstanding as on September 30, 2015 (₹ in lakhs)	Interest/Commission (p.a.)	Repayment / Tenor	Security
Oriental Bank of Commerce	January 16, 2013	Term Loan	340.00	294.83	Base Rate + 5.00% = 15.40%	84 equal monthly installments of ₹ 4.05 lakhs after a moratorium of 12 months from the date of 1 st disbursement	<ul style="list-style-type: none"> • Hypothecation of Assets be purchased valuing Rs 250.00 lakhs • EQM of Land and building measuring 28.80 M at Ladowali Road, Jalandhar MV ₹ 524.09 lakhs, RV Rs 445.00 lakhs (Value of construction to be done is Rs 209.00 lakhs)
India Infoline Housing Finance Ltd	July 31, 2015	Property Loan	403.00	401.44	14.00% (Floating Rate)	120 equal monthly installments of ₹ 6,25,724/- lakhs	<ul style="list-style-type: none"> • Secured against the property, Kh No. 9/6 min, 15, 11/3/3, 222/3, Birring, G.T Road, Jalandhar.

Details of Unsecured Loans:

Type of Lender	Amount outstanding as on September 30, 2015 (₹ in lakhs)	Repayment Schedule	Security
Directors	26.84	Repayable on demand	N.A.
Inter-Corporate Loans	53.16	Repayable on demand	N.A.
Total	80.00		

Other Terms & Conditions

- ✓ The borrower shall deposit the stipulated margin in the account and the payment shall be made to the supplier directly and the advance amount shall be utilized strictly for the purpose for which it is sanctioned..
- ✓ Original invoices or a list of machinery/equipment etc. duly certified by Chartered Accountant along with photocopies of the Invoices shall be submitted to the bank, which is to be kept with the security documents.
- ✓ The facility shall be utilized for the purchase of new equipment/vehicles only, unless otherwise permitted.
- ✓ In case of second hand/used machinery/vehicles, vintage and residual life thereof to be certified by a Chartered Engineer and valuation thereof to be obtained from the bank's approved valuer, wherever these are permitted by the competent authority.
- ✓ Disbursement shall be made in phases depending on the progress of construction, shall be verified by the branch by obtaining suitable evidence and by making periodical visit.
- ✓ In case a term loan is prepaid by the borrower for shifting to other bank/FI, onetime pre-payment charges of 1% of the total outstanding balance shall be levied.

SECTION VII - LEGAL AND OTHER INFORMATION

GOVERNMENT AND OTHER STATUTORY APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.

It must be distinctly understood that, in granting these approvals, the Government of India, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulations and Policies” on page no. 81 of this Draft Prospectus.

The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

I. APPROVALS PERTAINING TO THIS ISSUE

- i. The Board of Directors have, pursuant to Section 62 (1)(c) of the Companies Act, 2013 by a resolution passed at its meeting held on January 09, 2016 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- ii. The shareholders of the Company have, pursuant Section 62 (1)(c) of the Companies Act, 2013 by a Special resolution passed in the Extra-Ordinary General Meeting held on January 09, 2016 authorized the further issue of Equity Shares.
- iii. The Company has obtained in-principle listing approval from the SME platform of the BSE dated [●].
- iv. The Company has entered into an agreement dated [●] with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is [●], for the dematerialization of its shares.
- v. Similarly, the Company has also entered into an agreement dated [●] with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is [●] for the dematerialization of its shares.
- vi. The Company's International Securities Identification Number (“ISIN”) is [●].

II. INCORPORATION AND OTHER DETAILS

- i. Certificate of Incorporation dated July 24, 2012 was issued by the Registrar of Companies, in the name of AGI Hospitalities Private Limited bearing Corporate Identity Number U55101PB2012PTC036475 and having its registered office at Ladowali Road, Opposite Circle Education Office, Jalandhar - 144001, Punjab, India.
- ii. Fresh Certificate of Incorporation dated November 26, 2015 issued by the Registrar of Companies, Chandigarh, consequent upon change of name from “AGI Hospitalities Private Limited” to “AGI Hospitalities Limited” bearing CIN U55101PB2012PLC036475.

III. INDUSTRY RELATED APPROVALS/ LICENCES/ REGISTRATIONS

Sr. No.	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
i.	Building Completion Certificate*	Municipal Town Planner, Commissioner, Municipal Corporation,	Letter No. 18	April 20, 2010	-

Sr. No.	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
		Jalandhar			
ii.	Fire Safety Certificate **	Assistant Divisional Fire Officer, Fire Station, Jalandhar	Memo No. FB/ADFO/JAL-858	Date of Certificate: February 10, 2015 Valid from: February 21, 2015	February 20, 2016
iii.	Licence Under Food Safety and Standards Act, 2006 granted for category 17 (products not covered under category 1 to 16), viz. Hotel and Restaurant	State Licencing Authority under Food Safety and Standards Act, 2006	12115361000034	February 25, 2015	February 24, 2016
iv.	License in form L-4, viz. License for the Retail Vend of Foreign Liquor in a Restaurant registered under District Jalandhar No. X-I-2014/210 granted vide the Excise and Taxation Commissioner, Punjab Patiala Memo No. X-I-2014/DPO103403113393 dated July 11, 2014	Collector-Cum-Deputy Excise and Taxation Commissioner, Jalandhar	Memo No. X-I-2014/DPO103403113393	April 01, 2015	March 31, 2016
v.	License in form L-5, viz. License for retail vend of foreign liquor in a bar attached to the restaurant registered under Jalandhar No. X-I-2014/210 granted vide the Excise and Taxation Commissioner, Punjab Patiala Memo No. X-I-2014/Spl-3DPO103403113393 dated July 11, 2014	Collector-Cum-Deputy Excise and Taxation Commissioner, Jalandhar	Memo No. X-I-2014/Spl-3DPO103403113393 dated July 11, 2014	April 01, 2015	March 31, 2016
vi.	License in form L-5B, viz. Supplementary License for retail	Collector-Cum-Deputy Excise and Taxation Commissioner,	Memo No. X-I-2014/Spl-3DPO103403113393 dated July 11, 2014	April 01, 2015	March 31, 2016

Sr. No.	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
	vend of draught beer in a pub bar attached to the restaurant registered under Jalandhar No. X-I-2014/210 granted vide the Excise and Taxation Commissioner, Punjab Patiala Memo No. X-I-2014/Spl-3DPO1034031133 93 dated July 11, 2014	Jalandhar			
vii.	License in form L – 5D, viz. License for allowing consumption of liquor on special occasion in a marriage palace or a banquet hall	Collector-Cum-Deputy Excise and Taxation Commissioner, Jalandhar	-	April 01, 2015	March 31, 2016
viii.	No Objection Certificate (NOC) from the Commissioner of Police, Jalandhar	ACP, Special Branch, Commissioner Police, Jalandhar	Letter No. 55 CU-II	February 11, 2014	-
ix.	Public Performance Licence authorising the Company for its registered office address at Ladowali Road, Opposite Circle Education Office, Jalandhar - 144001, Punjab, India, to perform in the Bar all copyrighted music (sound recordings) owned/ exclusively controlled by Phonographic Performance Limited ***	Phonographic Performance Limited	48/D/31223/2	December 11, 2014	December 10, 2017
x.	Public Performance Licence for Musical Works and Accompanying Literary Works under Section 30 of the Copyrights Act,	The Indian Performing Right Society Limited	GL:JLD:00142	June 1, 2014	May 31, 2017

Sr. No.	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
	1957				
xi.	N.O.C. regarding disposal of sewage water, N.O.C. for water supply connection and N.O.C. for collection of solid waste	Additional Commissioner, Municipal Corporation, Jalandhar	Memo No. S.E. – SPL/13	April 21, 2014	Valid until Cancelled
xii.	Udyog Aadhaar Memorandum	Ministry of Micro, Small and Medium Enterprises, Government of India	Udhyog Aadhaar Number: PB10E0000613 Aadhaar No: 740208188715	Date of Issue: January 14, 2016 Date of Commencement: July 16, 2014	-
xiii.	Licence to run hotel and restaurant working with less than 60 (sixty) persons for the year 2015-2016 issued to the Company	Municipal Corporation, Jalandhar	-	August 14, 2015	-

**** The said certificate was issued on the condition that further any alteration would necessitate an approval from Municipal Corporation.**

**** If on checking by the Department Officials, the Company's fire equipment is not found to be in working condition, the Fire Safety Certificate issued by the Fire Department would stand cancelled without notice. The certificate is only with regard to safety measures. Further, it is compulsory to renew the said certificate every year.**

***** The license is non-exclusive and non-transferable. The license is valid only for the licensed premises/individual and is also subject to the terms and conditions stipulated therein.**

IV. TAX RELATED APPROVALS/ LICENSES/ REGISTRATIONS

The Company has in place the following categories of approvals from various tax authorities viz. Income-tax Department, Sales tax Department of various States in India, etc.

i. General					
Sr. No.	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
a.	Permanent Account Number (PAN)	The Income Tax Department, Government of India.	AALCA3596M	July 24, 2012	Valid until cancelled
b.	Tax Deduction Account Number (TAN)	The Income Tax Department, Government of India.	JLDA05101F	April 12, 2013	Valid until cancelled
c.	Service Tax Registration (Form ST-2) for its registered office at Ladowali Road, Opposite Circle	Central Board of Excise and Customs, Ministry of Finance – Department of Revenue	AALCA3596M	October 31, 2014	Valid until cancelled

	Education Office, Jalandhar - 144001, Punjab, India*				
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* In case the registrant starts providing any other taxable service other than Information Technology Software Service it shall intimate the department. In case the registrant starts billing from other premises, (other than those mentioned above) it shall intimate the department.

ii. Value Added Tax					
S. No.	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
a.	Certificate of Registration*	Excise and Taxation Officer, Jalandhar 1	03672159341	October 27, 2013	Valid until cancelled

* The Company is required to intimate changes, if any, in registration details within 30 (thirty) days of such change.

iii. Central Sales Tax					
Sr. No.	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
a.	Certificate of Registration	Excise and Taxation Officer	03672159341	Date of Certificate: October 22, 2013 Effective Date: October 23, 2013	Valid until cancelled

iv. Luxuries tax					
Sr. No.	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
a.	Registration under the Punjab Tax on Luxuries Ordinance, 2008	Excise and Taxation Officer (X), Jalandhar	1411030	Date of Certificate: May 25, 2014 Effective Date: May 19, 2014	Valid until cancelled

V. LABOUR RELATED APPROVALS/REGISTRATIONS

The Company has obtained the following approvals related to Labour/employment related registrations:

Sr. No.	Description	Granting Authority	Registration/Reference No.	Date of Issue	Date of Expiry
i.	Employees' Provident Fund Code	Employees' Provident Fund Organisation, Jalandhar	LD/JAL/0044469/000	Date of Issue: May 27, 2014 Effective Date: May 23, 2014	Valid until cancelled
ii.	Employees' State Insurance Code	Sub- Regional office, Employees State Insurance Corporation, Jalandhar	Code No. 29000612190001102	May 28, 2014	Valid until cancelled

VI. SHOPS AND ESTABLISHMENTS REGISTRATION

S. No.	Description	Granting Authority	Particulars	Date of Certificate	Date of Expiry
i.	License to run hotel and restaurant working with less than 60 (sixty) persons for the year 2015-2016 issued to the Company	Municipal Corporation, Jalandhar	-	-	-

VII. APPROVALS ISSUED BY THE POLLUTION CONTROL BOARD

S. No.	Description	Granting Authority	Particulars	Date of Certificate	Date of Expiry
i.	Grant of Consent to Operate an outlet under Section 25 and 26 of Water (Prevention and Control of Pollution) Act, 1974 for discharge of effluent #	Punjab Pollution Control Board, Regional Office, Jalandhar	Industrial ID No. G14JALCTOW12526 88	June 26, 2014	December 31, 2023

The Consent to Operate is subject to several conditions stipulated therein.

VIII. PENDING APPROVALS

Following is the list of important approvals and sanctions which we believe are due to be taken but are pending as on the date of this Draft Prospectus:

i. Approvals for which applications have been made

Application bearing acknowledgement dated April 6, 2015 for classification of hotel has been made by the Company under the Revised Guidelines for Classification/Reclassifications of Hotels dated December 16, 2014 bearing No. 8-TH-I (3)/2013.

ii. Approvals for which applications are yet to be made

- a. Applications for registration of word marks and logos of the Company under the Trade Marks Act, 1999 read with Trade Marks Rules, 2002 are yet to be made.
- b. Application for registration under the Punjab Shops and Commercial Establishments Act, 1958 read with Punjab Shops and Commercial Establishments Rules, 1958 is yet to be made.

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or, alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, Subsidiaries, Promoter, Group Companies and Directors as of the date of this Draft Prospectus that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory dues, institutional/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

Our Board of Directors considers dues owed by our Company to the small scale undertakings and other creditors exceeding ₹ 1,00,000/- as material dues for our Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on January 09, 2015.

PART 1: CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	Amount (in lakhs)
NIL	NIL
Total	NIL

PART 2: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. CASES FILED BY OUR COMPANY

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

NIL

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

C. PAST PENALTIES

NIL

PART 3: LITIGATION RELATING TO OUR DIRECTORS

A. LITIGATION AGAINST OUR DIRECTORS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

- (i) Suit for recovery of ₹ 67,925/- together with future interest and costs filed against inter-alia Mr. Sukhdev Singh

For details of the same, please refer to Part 5 (A) (4) (i) below.

- (i) Suit for recovery of ₹ 1,08,409/- together with future interest and costs filed against inter-alia Mr. Sukhdev Singh

For details of the same, please refer to Part 5 (A) (4) (ii) below.

B. LITIGATION FILED BY OUR DIRECTORS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

C. PAST PENALTIES

NIL

PART 4: LITIGATION RELATING TO OUR PROMOTERS

A. LITIGATION AGAINST OUR PROMOTERS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

- (i) Suit for recovery of ₹ 67,925/- together with future interest and costs filed against inter-alia Mr. Sukhdev Singh
For details of the same, please refer to Part 5 (A) (4) (i) below.
- (ii) Suit for recovery of ₹ 1,08,409/- together with future interest and costs filed against inter-alia Mr. Sukhdev Singh
For details of the same, please refer to Part 5 (A) (4) (ii) below.

B. LITIGATION FILED BY OUR PROMOTERS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

C. PAST PENALTIES

NIL

PART 5: LITIGATION RELATING TO OUR GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES

1. Litigation involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

- (i) Suit for recovery of ₹ 67,925/- together with future interest and costs filed against inter-alia AGI Infra Limited

Messer Pindi Paints Stores (hereinafter referred to as “Plaintiff”) filed a suit dated March 23, 2012 in the Court of Civil Judge, Senior Division, Jalandhar against (i) AGI Infra Limited, (ii) its Managing Director – Mr. Sukhdev Singh and (iii) its group entity, M/s. Aay Jay Builders (hereinafter jointly referred to as “Defendants”) for recovery of ₹ 67,925/- (Rupees Sixty Seven Thousand Nine Hundred Twenty Five Only), being a principal amount of ₹ 50,000/- (Rupees Fifty Thousand Only) on account of purchase by AGI Infra Limited jointly with its group entity of paint and paint material, from the Plaintiff, plus ₹ 17,925/- (Rupees Seventeen Thousand Nine Hundred Twenty Five Only) as interest at 18% (eighteen per cent) per annum for the period commencing from March 29, 2010, till March 23, 2012. The Plaintiff also claimed on the aforesaid amount, future interest at 18% (eighteen per cent) per

annum for the period commencing from March 24, 2012 till the date of realization of the amounts claimed by the Plaintiff, alongwith the costs of the suit.

- (ii) Suit for recovery of ₹ 1,08,409/- together with future interest and costs filed against inter-alia AGI Infra Limited

Messer Pindi Prime Products (hereinafter referred to as “Plaintiff”) filed a suit dated March 23, 2012 in the Court of Civil Judge, Senior Division, Jalandhar against (i) AGI Infra Limited and (ii) its Managing Director – Mr. Sukhdev Singh (hereinafter jointly referred to as “Defendants”) for recovery of ₹ 1,08,409/- (Rupees One Lakh Eight Thousand Four Hundred Nine Only) being a principal amount of ₹ 70,395/- (Rupees Seventy Thousand Three Hundred Ninety Five Only) on account of purchase by AGI Infra Limited of paint and paint material, from the Plaintiff, plus ₹ 38,014/- (Rupees Thirty Eight Thousand Fourteen Only) as interest at 18% (eighteen per cent) per annum for the period commencing from March 24, 2009 till March 23, 2012. The Plaintiff also claimed on the aforesaid amount, future interest at 18% (eighteen per cent) per annum from March 24, 2012 till the date of realization of the amounts claimed by the Plaintiff alongwith the costs of the suit.

B. LITIGATION FILED BY OUR GROUP COMPANIES

1. Litigation involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

- (a) Civil Writ Petition No.3978 of 2013 filed by AGI Infra Limited against (i) State of Punjab; (ii) Assistant Excise & Taxation Commissioner, Jalandhar; and (iii) District Transport Officer, Jalandhar (“Respondents”)

AGI Infra Limited has filed before the Hon’ble High Court of Punjab and Haryana, Civil Writ Petition No. 3978 of 2013 against (i) State of Punjab; (ii) Assistant Excise & Taxation Commissioner, Jalandhar; and (iii) District Transport Officer, Jalandhar (hereinafter referred to as “Respondents”), challenging the constitutional validity of Punjab Tax on Entry of Goods into Local Areas Act, 2000. In pursuance thereof, an interim stay order dated February 26, 2013 (hereinafter referred to as “Interim Order”) on the recovery of entry tax was granted to AGI Infra Limited, subject to the latter furnishing inter-alia, undertakings before the Hon’ble High Court to the effect that in case the matter is subsequently dismissed, AGI Infra Limited shall be liable to pay the entry tax along with the interest. Such undertaking was filed by or on behalf of the Company vide CM No. 5801 and 5802 of 2013, which were allowed.

Subsequently, AGI Infra Limited has filed a Contempt Petition No. 2142 of 2013 in Civil Writ Petition No. 3978 of 2013 against the following Respondents, viz. the Assistant Excise & Taxation Commissioner, Jalandhar and District Transport Officer, Jalandhar, inter-alia for not conforming with the said Interim Order, and the same has been disposed off in favour of AGI Infra Limited vide final order dated August 21, 2013. In pursuance of the said final order dated August 21, 2013, the Assistant Excise & Taxation Commissioner, Jalandhar-II issued a Memo No. 794/CC-I (“Memo”) dated October 1, 2013, inter-alia denying AGI Infra Limited deferment from payment of entry tax under Notification No. S.O.24/P.A.9/2000/S3-A/2013 dated April 4, 2013 issued under Section 3A of the Punjab Tax on Entry of Goods into Local Areas Act, 2000 by the Government of Punjab. Subsequently, AGI Infra Limited filed a Civil Writ Petition No. 25819 of 2013 against (i) State of Punjab through Assistant Excise and

Taxation Commissioner, Jalandhar II and (ii) District Transport Officer, Jalandhar, inter-alia praying that the said Memo be set aside, the details of which petition are as enumerated below. The matter under Civil Writ Petition No. 3978 of 2013 appears to be pending.

- (b) Civil Writ Petition No.25819 of 2013 filed by AGI Infra Limited against State of Punjab and Others (collectively referred to as “Respondents”)

AGI Infra Limited has filed before the Hon’ble High Court of Punjab and Haryana, Civil Writ Petition No.25819 of 2013 against (i) State of Punjab through Assistant Excise and Taxation Commissioner, Jalandhar II and (ii) District Transport Officer, Jalandhar (hereinafter referred to as “Respondents”) inter-alia praying that the Memo No.794/CC-I dated October 1, 2013 issued by the Assistant Excise & Taxation Commissioner, Jalandhar-II inter-alia denying AGI Infra Limited deferment from payment of entry tax, be set aside and that the Respondents be directed to register the motor vehicles purchased by AGI Infra Limited from outside the State of Punjab, without recovering from them any entry tax leviable under Notification No. S.O.24./P.A.9/2000/S3-A/2013 dated April 4, 2013 issued under Section 3A of the Punjab Tax on Entry of Goods into Local Areas Act, 2000 by the Government of Punjab. The proceedings in the matter are pending.

4. Other Pending Litigations

NIL

C. PAST PENALTIES

NIL

PART 6: LITIGATION RELATING TO OUR SUBSIDIARIES

A. CASES FILED AGAINST OUR SUBSIDIARIES

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. CASES FILED BY OUR SUBSIDIARIES

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

C. PAST PENALTIES

NIL

PART 7: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

The Board of Directors of our Company considers dues exceeding ₹ 1,00,000/- to small scale undertakings and other creditors as material dues for our Company.

As on September 30, 2015, there are 4 creditors to each of whom our Company owes amounts exceeding ₹ 1,00,000/-, the aggregate outstanding dues to them being approximately ₹ 21.17 lakhs.

Further, our Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year end together with interest payable as required under the said Act have not been furnished.

Therefore, as on September 30, 2015, our Company owes amounts aggregating to ₹ 27.00 lakhs approximately towards 36 creditors, which may or may not include small scale undertakings.

There are no disputes with such entities in relation to payments to be made to them. The details pertaining to amounts due towards such creditors are available on the website of our Company at the following link: www.hotelagijinn.com.

PART 8: MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE

Except as disclosed elsewhere in this Draft Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

SECTION VIII - OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated January 09, 2016 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62 (1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra Ordinary General Meeting with a shorter notice held on January 09, 2016 in accordance with the provisions of Section 62 (1)(c) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, its Directors, Promoters and entities forming part of our Promoter Group from accessing the capital market or operating in the capital markets under any order or direction passed by SEBI.

We further confirm that none of our Company, its Promoters, its Group Companies or the relatives of our Promoters and Group Companies was ever identified as wilful defaulters by RBI or other authorities.

Association with Securities Market

We confirm that none of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Risk Factors*”, “*Our Promoter, Promoter Group and Group Companies*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 9, 104 and 147 respectively, of this Draft Prospectus.

Eligibility for the Issue

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE).

We confirm that:

- a) In accordance with Regulation 106 (P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the total Issue Size. For further details pertaining to the said underwriting please see “*General Information- Underwriting*” on page no 35 of this Draft Prospectus.
- b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded within such time which shall be prescribed by the SEBI. If the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (3) of Section 39 shall be returned within such time and manner as may be prescribed under the Companies Act, 2013.
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of Market Making, please see “General Information- Details of the Market Making Arrangements for this Issue” on page no 35 of this Draft Prospectus.

We further confirm that we shall be complying with all other requirements as laid down for such issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

- e) Our Company has Net Tangible assets of at least ₹ 3 crore as per the latest audited financial results
- f) The Net worth (excluding revaluation reserves) of our Company is at least ₹ 3 crore as per the latest audited financial results
- g) Our Company has track record of distributable profits in terms of sec. 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months.
- h) The distributable Profit, Net tangible Assets and Net worth of our Company as per the restated financial statements for the period / year ended as at September 30, 2015, March 31, 2015, 2014 and 2013 is as set forth below:

(₹ in Lakhs)				
Particulars	Sep. 30, 2015	Fiscal 2015	Fiscal 2014	Fiscal 2013
Distributable Profit ⁽¹⁾	(55.47)	(91.09)	-	-
Net tangible Assets ⁽²⁾	510.37	125.76	96.85	31.00
Net Worth ⁽³⁾	510.37	125.76	96.85	31.00

⁽¹⁾ Distributable profits have been computed in terms section 123 of the Companies Act, 2013.

⁽²⁾ Net Tangible Assets are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities) and secured as well as unsecured long term liabilities excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

⁽³⁾ Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

- i) As on the date of this Draft Prospectus, our Company has a paid up capital of ₹ 543.72 lakhs (₹ 5.44 crores), which is in excess of ₹ 3 crore, and the Post Issue Capital shall be of ₹ 783.72 lakhs (₹ 7.84 crores).
- j) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- k) There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed
- l) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on SME segment
- m) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.
- n) We have a website: www.hotelagiinn.com
- o) We are not a Stock / Commodity Broking Company since incorporation.
- p) We are not a Finance Company since incorporation.

Disclosure

The Issuer, our Promoters, Promoter Group and the members of our Group Companies have confirmed that they have not been identified as wilful defaulters by the RBI or any other Governmental Authority.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT 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 OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**

5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE “MAIN OBJECTS” LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 (SECTION 40 OF COMPANIES ACT, 2013) AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER, AND

- B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**
- 14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**
- 15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
- 16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR (PLEASE SEE “ANNEXURE A” FOR FURTHER DETAILS).**
- 17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.**

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 26, 30 and 32 of the Companies Act, 2013.

ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- **WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- **WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**

- **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
- **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS.**
- **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**

Disclaimer Clause of the SME Platform of BSE

As required, a copy of the Draft Prospectus shall be submitted to the SME Platform of BSE. The Disclaimer Clause as intimated by the SME Platform of BSE to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC.

Disclaimer from our Company and the Lead Manager

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

CAUTION

The Lead Manager accept no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Lead Manager and our Company January 11, 2016, the Underwriting Agreement dated January 11, 2016, entered into among the Underwriters and our Company and the Market Making Agreement dated January 11, 2016, entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres or elsewhere.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters 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 of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus / Prospectus comes is

required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Filing

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106 (O) (1). However, a copy of the Prospectus shall be filed with SEBI at Chandigarh Local Office, SCO 127-128, First Floor, Sector 17C, Chandigarh - 160 017.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at Corporate Bhawan, Plot No. 4 B, Sector 27 B, Madhya Marg, Chandigarh – 160019.

Listing

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is no requirement of obtaining In-Principle approval of the SME Platform of BSE. However, application shall be made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded within fifteen days from the closure of the issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

Price Information of past issues handled by the Lead Manager

Aryaman Financial Services Limited

S. No	Issue Name	Issue size (₹ Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Vaksons Automobiles Ltd.	6.24	26.0	16/10/15	26.25	0.37%	1.92%	NA
2.	AGI Infra Ltd.	14.99	54.00	27/03/15	54.40	2.93%	48.22%	52.52%
3.	Vishal Fabrics Ltd.	15.63	45.00	20/08/14	45.20	7.68%	10.87%	28.89%
4.	Dhanuka Commercial Ltd.	4.44	10.00	11/06/14	9.75	(10.26%)	(29.74%)	(7.69%)
5.	Karnimata Cold Storage Ltd.	3.04	20.00	18/03/14	29.05	(26.17%)	(26.33%)	(38.33%)
6.	Suyog Telematics Ltd.	4.53	25.00	22/01/14	25.20	1.00%	0.60%	2.97%
7.	Stellar Capital Services Ltd.	9.00	20.00	01/11/13	20.10	(23.82%)	(42.67%)	(61.94%)
8.	S R G Securities Finance Ltd.	5.02	20.00	29/10/13	23.90	(17.53%)	(17.53%)	(17.53%)
9.	Kushal Tradelink Ltd.	27.75	35.00	04/09/13	35.00	(14.53%)	(4.33%)	(2.93%)
10.	India Finsec Ltd.	6.00	10.00	11/06/13	10.00	(4.76%)	54.29	10.95

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ Cr.)	Nos. of IPOs trading at discount - 30 th calendar day from listing day			Nos. of IPOs trading at premium - 30 th calendar day from listing day			Nos. of IPOs trading at discount - 180 th calendar day from listing day			Nos. of IPOs trading at premium - 180 th calendar day from listing day		
			Over 50%	Betwe en 25-50 %	Less than 25%	Over 50%	Betwe en 25-50 %	Less than 25%	Over 50%	Betwe en 25-50 %	Less than 25%	Over 50%	Betwe en 25-50 %	Less than 25%
2015-16	1	6.24	-	-	-	-	-	1	-	-	-	-	-	
2014-15	3	35.06	-	-	1	-	-	2	-	-	1	1	-	
2013-14	6 ⁽¹⁾	55.34	-	-	5	-	-	1	2	-	2	-	2	

⁽¹⁾As on the 30th Calendar day from the listing day, the price of India Finsec Limited and S R G Securities Finance Ltd. is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.

Notes:

(a) In case the 10th, 20th and 30th calendar day from the date of listing is a holiday, or if the stock was not traded on the said calendar days from the date of listing, the share price and benchmark index is taken of the immediately preceding working day.

(b) BSE SENSEX has been considered as the benchmark index.

Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of the Lead Manager – www.afsl.co.in.

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the Statutory Auditors, Bankers to the Company; and (b) the Lead Manager, Escrow Collection Bankers, Refund Banker, Peer Review Auditor, Registrar to the Issue, the Legal Advisors to the Issue, to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. R. A. Marwaha and Co. (Chartered Accountants).., Peer Review Auditors and M/s. R. S. Kalra and Associates (Chartered Accountants), Statutory Auditors, have provided their written consent to the inclusion of their reports dated January 14, 2016 on the Restated Financial Statements and their reports dated January 14, 2016 on the Statement of Possible Tax Benefits, respectively, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus.

Expert Opinion

Except for the below stated reports and certificate included in the Prospectus, our Company has not obtained any expert opinions:

1. Statutory Auditor – Statement of Possible Tax Benefits
2. Peer Review Auditor – Restated Financial Statements
3. Legal Due Diligence Report

ISSUE RELATED EXPENSES

The expenses of this Issue include, among others, underwriting and management fees, Market Making Fees, selling commissions, SCSB's commission/ fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees is given below:

Issue related expenses activity	Amount (₹ in lakhs)*	As a % of total estimated Issue expenses*	As a % of the Issue Size*
Issue Management fees including underwriting and selling commissions, market making fees, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses	42.70	71.17%	4.45%
Brokerage and Commission	4.80	8.00%	0.50%
Printing & Stationery, Distribution, Postage, etc.	2.50	4.17%	0.26%
Advertisement & Marketing Expenses	2.50	4.17%	0.26%
Regulatory & other expenses	7.50	12.50%	0.78%
Total Estimated Issue related Expenses	60.00	100.00%	6.25%

Fees, Brokerage and Selling Commission Payable to the Lead Manager

The total fees payable to the Lead Managers (including underwriting commission and selling commission) is as stated in the MOUs dated January 11, 2016, the Underwriting Agreement dated January 11, 2016 and the Market Making Agreement dated January 11, 2016 among our Company and the Lead Manager and other parties, a copy of which will be made available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MoU between the Company and the Registrar to the Issue dated January 12, 2016.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

Capital Issue during the last three years

AGI Hospitality Limited not made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

Previous Public and Rights Issues

We have not made any previous rights and public issues, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

Previous Issues of Equity Shares otherwise than for Cash

Except as stated in the chapter titled “*Capital Structure*” beginning on page no 38 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than for cash.

Commission and Brokerage Paid on Previous Issues of our Equity Shares

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

Details of capital issue made during last three years in regard to other listed companies under the same management

Name of the Issue	AGI Infra Limited
Year of Issue	2015
Type of Issue	Initial Public Offer (IPO)
Amount of Issue	₹ 1,499.04 lakhs
Date of Closure of Issue	March 13, 2015
Date of Completion of delivery of Share Certificates	March 23, 2015
Date of Completion of Project (Object of the Issue)	On or before September 30, 2015
Rate of Dividend paid	N.A.

PERFORMANCE VIS-À-VIS OBJECTS

AGI Infra Limited (AGIIL)

AGIIL has come out with an Initial Public Offer of 27,76,000 Equity Shares of ₹ 10/- each offered at a fixed price of ₹ 54 per share (including a premium of ₹ 44 per share) aggregating to ₹ 1,499.04 Lakhs. The said issue was opened for subscription on March 10, 2015 and closed on March 13, 2015. The issue was fully subscribed and the basis of allotment was finalized in consultation with the BSE Ltd. on March 23, 2015 and the new equity shares were listed on BSE with effect from March 27, 2015.

The objects of the issue were

1. To part finance the construction of 215 Residential Flats in our on-going Group Housing Project – “Jalandhar Heights” in Punjab
2. Repayment of Loans

3. To meet Issue Expenses

Details of utilization of Public Issue proceeds of ₹ 1,499.04 lakhs towards ongoing project as on September 30, 2015 are as follows:

Particulars	Amount to be utilized as per Prospectus (₹ in lakhs)	Actual Amount utilized (₹ in lakhs)
Project for construction of 215 Residential Flats in our on-going Group Housing Project – “Jalandhar Heights” in Punjab (i.e. Towers J, K, L, M & N)	1,046.61	1,047.72
Repayment of Loans	399.37	399.37
Issue Expenses	53.06	51.95
Total	1,499.04	1,499.04

As on the date of this Prospectus, the entire amount raised by AGIIL through the above mentioned IPO has been utilized.

Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments issued by the Company

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

Stock Market Data for our Equity Shares

This being an initial public issue of the Company, the Equity Shares of the Company are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The Company has appointed Bigshare Services Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on January 11, 2016 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Grievance Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Varinder Singh	Non-Executive Non-Independent Director	Chairman
Mr Ravi Kant Aggarwal	Non-Executive Independent Director	Member
Mr. Manjit Singh	Non-Executive Independent Director	Member

For further details, please see the chapter titled “Our Management” beginning on page no 93 of this Draft Prospectus.

The Company has also appointed [●] as the Company Secretary and Compliance Officer for this Issue and He/she may be contacted at the Corporate Office of our Company.

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

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

Disposal of Investor Grievances by Listed Companies under the same Management as the Company

For details of Investor Grievances by our Listed Companies under the same management, please refer chapter “Our Promoters, Promoter Group and Group Companies” beginning on page no. 104 of this Draft Prospectus.

Change in Auditors

There has been no change in auditors of our company in the last 3 years.

Capitalisation of Reserves or Profits

Except as stated in the chapter titled “*Capital Structure*” beginning on page no 38 of this Draft Prospectus, our Company has not capitalised our reserves or profits during the last five years.

Revaluation of Assets

We have not revalued our assets in last five (5) years.

SECTION IX – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Authority for the Issue

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on January 09, 2016 and was approved by the Shareholders of the Company by passing a Special Resolution at the Extra-Ordinary General Meeting held on January 09, 2016 in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled "*Main Provisions of the Articles of Association of our Company*" beginning on page no 221 of this Draft Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please see the chapter titled "*Dividend Policy*" beginning on page no 112 of this Draft Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of ₹ 40/- per Equity Share and the minimum application size is of 3,000 Equity Shares. The Issue Price is decided by our Company, in consultation with the Lead Manager and is justified under the section titled "Basis of Issue Price" beginning on page no 52 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with the disclosure and accounting norms

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall also comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- ✓ Right to receive dividend, if declared;
- ✓ Right to attend general meetings and exercise voting rights, unless prohibited by law;
- ✓ Right to vote on a poll either in person or by proxy;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;

- ✓ Right to receive surplus on liquidation;
- ✓ Right of free transferability; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, the Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled "*Main Provisions of Articles of Association of our company*" beginning on page no 221 of this Draft Prospectus.

Minimum Application Value; Market Lot and Trading Lot

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated [●] between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated [●] between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

Trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 3,000 Equity Share subject to a minimum allotment of 3,000 Equity Shares to the successful Applicants.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 6 Working days of closure of issue.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, 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

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the 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. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the Applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Issue

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Offer Document. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	[•]
Issue Closing Date	[•]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Refunds	[•]
Credit of Equity Shares to demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted only between **10.00 a.m. and 3.00 p.m.** (IST) and shall be uploaded until (i) **4.00 p.m.** (IST) in case of Applications by Non Retail Applicants, and (ii) until **5.00 p.m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

Non Retail Applicants shall not be allowed to either withdraw or lower the size of their Application at any stage. Non Retail Applicants may revise their Applications upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the issuer does not receive the subscription of 100% of the Issue through this Offer Document including devolvement of Underwriters within sixty days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 3,000 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please see the section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page no 221 of this Draft Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue

Option to receive Equity Shares in Dematerialized Form

As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares will be made only in dematerialized form.

Further, as per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE.

Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have

to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares issued through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to the Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker, please see the chapter titled "*General Information - Details of the Market Making Arrangement for this Issue*" beginning on page no 35 of this Draft Prospectus.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai. The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed more than ten crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on page nos 166 and 173 respectively of this Draft Prospectus.

Issue Structure

Public issue of 24,00,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 40/- per Equity Share aggregating to ₹ 960.00 lakhs ("the Issue") by AGI Hospitality Limited ("AHL" or the "Company" or the "Issuer").

The issue comprises a Net Issue to Public of 22,74,000 Equity Shares of ₹ 10 each ("the Net issue"), and a reservation of 1,26,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion"). The Issue and the Net Issue will constitute 30.62% and 29.02%, respectively of the post issue paid up equity share capital of the company. The issue is being made through the Fixed Price Process:

Particulars of the Issue	Net Issue to Public ⁽¹⁾	Market Maker Reservation Portion
Number of Equity Shares available for allocation	22,74,000 Equity Shares	1,26,000 Equity Shares
Percentage of Issue Size available for allocation	94.75% of the Issue Size	5.25% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 3,000 Equity Shares and further allotment in multiples of 3,000 Equity Shares each. For further details please refer to the " <i>Basis of Allotment</i> " on page no 209 of this Draft Prospectus	Firm Allotment
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value exceeds ₹ 2.00 Lakhs. For Retail Individuals: 3,000 Equity Shares	1,26,000 Equity Shares
Maximum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Size does not exceeds 22,74,000 Equity Shares. For Retail Individuals: 3,000 Equity Shares	1,26,000 Equity Shares
Application Lot Size	3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter	
Terms of Payment	Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the Application Form at the time of submission of the Application Form.	
Mode of Allotment	Dematerialized Form	
Trading Lot	3,000 Equity Shares	3,000 Equity Shares. However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.

- 1) 50 % of the Equity Share offered are reserved for allocation to Applicants below or equal to ₹ 2.00 lakhs and the balance for higher amount Applications.
- 2) In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
- 3) Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
- 4) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in Rs)	Lot Size (No of shares)
Upto 14	10000
More than 14 upto 18	8000
More than 18 upto 25	6000
More than 25 upto 35	4000
More than 35 upto 50	3000
More than 50 upto 70	2000
More than 70 upto 90	1600
More than 90 upto 120	1200
More than 120 upto 150	1000
More than 150 upto 180	800
More than 180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1000	160
Above 1000	100

Further to the Circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Manager, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”), included below under “Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act 2013, to the extent applicable to a public issue. The General Information Document would be made available with the Lead Manager and would also be made available on the websites of the Stock Exchanges and the Lead Manager before opening of Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and shall not be liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

Please note that all the Applicants can participate in the Issue only through the ASBA process. All Applicants shall ensure that the ASBA Account has sufficient credit balance such that the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs.

ASBA Applicants are required to submit ASBA Applications to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by BSE Ltd to act as intermediaries for submitting Application Forms are provided on <http://www.bseindia.com>. For details on their designated branches for submitting Application Forms, please see the above mentioned BSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

PART A

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Reg. 106(M)(1) of Chapter XB of the SEBI (ICDR) Regulations, 2009 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

Designated Intermediaries shall submit Application Forms to SCSBs and shall not submit it to any non-SCSB bank or any Escrow Bank.

Who Can Apply?

1. Indian nationals resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorised to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this issue;
6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Applications portion;

9. VCFs registered with SEBI;
10. FVCIs registered with SEBI;
11. Eligible QFIs;
12. Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions)
13. Multilateral and bilateral development financial institutions;
14. State Industrial Development Corporations;
15. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
16. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
17. Insurance companies registered with Insurance Regulatory and Development Authority;
18. Provident Funds with a minimum corpus of N 250 million and who are authorised under their constitution to hold and invest in equity shares;
19. Pension Funds with a minimum corpus of N 250 million and who are authorised under their constitution to hold and invest in equity shares;
20. Limited liability partnerships;
21. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
22. Nominated Investor and Market Maker
23. Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India
24. Any other person eligible to Apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Applications not to be made by

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Overseas Corporate Bodies

Maximum and Minimum Application Size

a) For Retail Individual Applicants:

The Application must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹ 2,00,000. In case of

revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed ₹ 2,00,000.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 3,000 Equity Shares thereafter. Application cannot be submitted for more than the Issue Size. However, the maximum application size by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.**

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Information for the Applicants

- a) Our Company shall file the Prospectus with the RoC at least three working days before the Issue Opening Date.
- b) Our Company shall, after registering the Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c) Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.
- d) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorized agent(s).
- e) Application should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch.
- f) The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.

Availability of the Prospectus and the Application Forms:

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

Participation by associates and affiliates of the Lead Manager

The Lead Manager shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue in non Retail Portion, where the allocation is on a proportionate basis.

Applications by Mutual Funds

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Applications by Eligible NRIs

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Applications by FPI and FIIs

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely “foreign institutional investors” and “qualified foreign investors” will be subsumed under a new category namely “foreign portfolio investors” or “FPIs”. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as and FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Hence, such qualified foreign investors who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in this Issue.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24.00% of the total paid-up Equity Share capital of our Company, respectively.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments (“ODIs”). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Issue.

Applications by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Applications by Limited Liability Partnerships

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

Applications by Insurance Companies

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: the least of 10.00% of the respective fund in case of a life insurer or 10.00% of investment assets in case of a general insurer or reinsurer (25.00% in case of ULIPs); and
- 3) the industry sector in which the investee company operates: 10.00% of the insurer's total investment exposure to the industry sector (25.00% in case of ULIPs).

Applications by Provident Funds / Pension Funds

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.00 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

Applications by Banking Companies

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 1, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Applications by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the

memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- b) With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- c) With respect to Applications made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.
- d) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

General Instructions

Do's:

- 1) Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 3) Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- 4) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary;
- 5) If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- 6) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 7) Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
- 8) Ensure that you request for and receive a stamped acknowledgement of your Application;

- 9) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- 10) Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 11) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- 12) Ensure that the Demographic Details are updated, true and correct in all respects;
- 13) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- 14) Ensure that the category and the investor status is indicated;
- 15) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 16) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 17) Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- 18) Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- 19) Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- 20) Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- 21) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- 22) The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- 1) Do not apply for lower than the minimum Application size;

- 2) Do not apply at a Price different from the Price mentioned herein or in the Application Form;
- 3) Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- 4) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- 5) Do not submit the Application Forms to any non-SCSB bank or our Company;
- 6) Do not apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- 7) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not apply for a Application Amount exceeding ₹ 200,000 (for Applications by Retail Individual Applicants);
- 9) Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- 10) Do not submit the General Index Register number instead of the PAN;
- 11) Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- 12) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 13) Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 14) Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 15) Do not submit more than five Application Forms per ASBA Account;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment instructions

The entire Issue price of ₹ 40/- per Equity Share is payable on Application. In case of allotment of lesser number of Equity Shares than the number applied, then the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants shall specify the bank account details in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Not Retails Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instruction to the SCSBs to unblock the application money in the relevant back account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the application, as the case may be.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

Electronic Registration of Applications

- 1) The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
- 2) The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m of the next Working day from the Issue Closing Date.
- 3) The Application Collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
- 4) Neither the Lead Manager nor the Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
- 5) The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorised agents during the Issue Period. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange.
- 6) With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
 - Name of the Applicant;
 - IPO Name;
 - Application Form Number;
 - Investor Category;
 - PAN Number
 - DP ID & Client ID
 - Numbers of Equity Shares Applied for;
 - Amount;
 - Location of the Banker to the Issue or Designated Branch, as applicable;
 - Bank Account Number and
 - Such other information as may be required.
- 7) In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above mentioned details and mentioned the bank account number, except the Electronic Application Form number which shall be system generated.
- 8) The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof or having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
- 9) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

- 10) The Application Collecting Intermediaries shall have no right to reject the applications, except on technical grounds.
- 11) The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way deemed or construed to mean the compliance with various statutory and other requirements by our Company and / or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness or any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; not does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
- 12) The Application Collecting Intermediaries will be given time till 1.00 p.m on the next working day after the Issue Closing Date to verify the PAN No., DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with the Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
- 13) The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA Applicants.

Allocation of Equity Shares

- 1) The Issue is being made through the Fixed Price Process wherein 1,26,000 Equity Shares shall be reserved for the Market Maker. 11,37,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from the Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
- 2) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their application at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Signing of the Underwriting Agreement and the RoC Filing

- a) Our Company, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on January 11, 2016.
- b) For terms of the Underwriting Agreement please see chapter titled "*General Information*" beginning on page no 32 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 32 of the Companies Act.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application Form, name and address of the SCSB / Designated Intermediary, where the Application was submitted and bank account number in which the amount equivalent to the Application Amount was blocked.

Applicants can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Applications submitted to the Designated Branches of the SCSBs, the Applicants can contact the Designated Branches of the SCSBs.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447”**

The liability prescribed under Section 447 of the Companies Act, 2013 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.

Undertaking by our Company

We undertake the following:

- 1) If our Company does not proceed with the Issue after the Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2) If our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 3) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- 4) All steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date;
- 5) The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 6) Allotment will be made or the application money will be refunded within six Working Days from the Issue Closing Date or such lesser time as specified by SEBI;

- 7) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 8) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 9) No further Issue of Equity Shares shall be made till the Equity Shares issued through this Offer Document are listed or until the Application monies are refunded on account of non-listing, under-subscription etc;
- 10) Adequate arrangements shall be made to collect all Application Forms and
- 11) That we shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Offers. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“RHP”) / Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders/Applicants should carefully read the entire RHP / Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may see “*Glossary and Abbreviations*”.

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts

(Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Offer Price through the Book Building Process (“Book Built Issue”) or undertake a Fixed Price Offer (“Fixed Price Issue”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

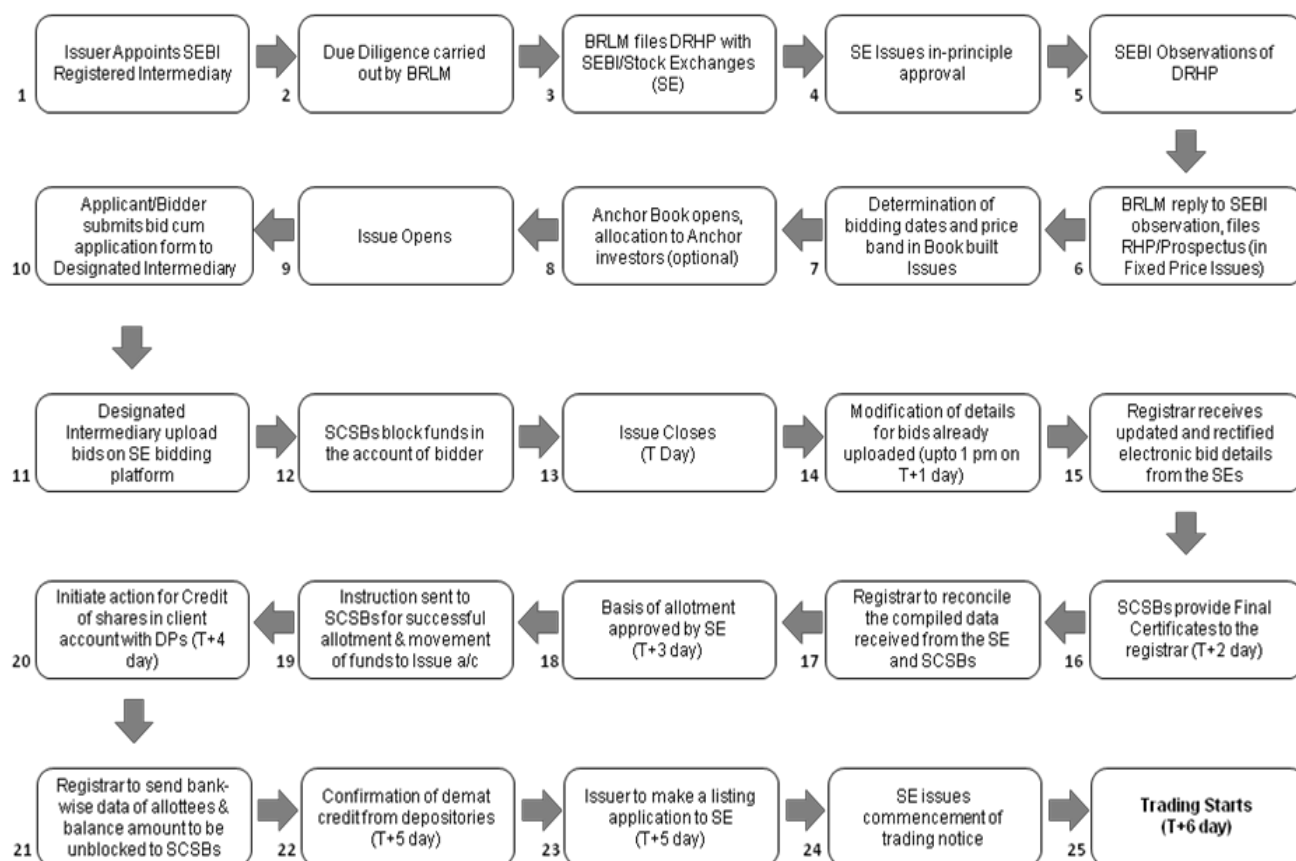
In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

In case of Offer other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

- i. Step 7 : Determination of Offer Date and Price
- ii. Step 10: Applicant submits Bid cum Application Form with Designated Branch of SCSB.



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);

- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (“NIIs”) category;
- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Book Running Lead Managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Bid cum Application Form and sample are provided below.

A sample Bid cum Application Form is reproduced below:

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN :

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER	
		Mr./Ms. _____	
		Address _____	
		Tel. No (with STD code) / Mobile _____	
		2. PAN OF SOLE / FIRST BIDDER _____	
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		6. INVESTOR STATUS	
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID		<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - M F <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH	
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")		5. CATEGORY	
Bid Options:	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹/ "Cut-off") (Price in multiples of ₹ 1/- only) (In Figures)	<input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
		Bid Price Retail Discount Net Price	"Cut-off" (Please tick)
Option 1	8 7 6 5 4 3 2 1	3 2 1 3 2 1 3 2 1	<input type="checkbox"/>
(OR) Option 2			<input type="checkbox"/>
(OR) Option 3			<input type="checkbox"/>
7. PAYMENT DETAILS		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>	
Amount paid (₹ in figures) _____ (₹ in words) _____			
ASBA Bank A/c No. _____			
Bank Name & Branch _____			
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.			
8A. SIGNATURE OF SOLE/ FIRST BIDDER		8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	
Date : _____		I/We authorize the SCSB to do all acts as are necessary to make the Application in the line	
		1) _____	
		2) _____	
		3) _____	
		BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)	

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No.
			PAN of Sole / First Bidder
			Stamp & Signature of SCSB Branch
			Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____

XYZ LIMITED - INITIAL PUBLIC ISSUE - R	No. of Equity Shares Bid Price Amount Paid (₹) ASBA Bank A/c No. Bank & Branch	Option 1 Option 2 Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder
				Acknowledgement Slip for Bidder
				Bid cum Application Form No.

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE / FIRST BIDDER / APPLICANT

- a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of Bidders/Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Offer only for correspondence(s) related to an Offer and for no other purposes.
- c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *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*
- *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 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.

- e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT

- a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“PAN Exempted Bidders/Applicants”). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application

Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Bids/Applications by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

- a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Offer.
- d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e))
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted

on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 MAXIMUM AND MINIMUM BID SIZE

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.
- b) In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cutoff Price.
- e) RII may revise or withdraw their bids until Bid/Offer Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- f) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the Offer size.
- i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Offer Price, the number of Equity Shares Bid for by a Bidder at or above the Offer Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

4.1.4.2 MULTIPLE BIDS

- a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- b) Bidders are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:
 - 1) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - 2) For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- c) The following Bids may not be treated as multiple Bids:
 - 1) Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Offer portion in public category.
 - 2) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
 - 3) Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - 4) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 FIELD NUMBER 5 : CATEGORY OF BIDDERS

- a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Offer are RIIs, NIIs and QIBs.
- b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with onethird of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Offer Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.
- c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.
- d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Offer is in compliance with the investment restrictions under applicable law.
- b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

- c) Bidders/Applicants should check whether they are eligible to apply on non -repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

- a) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorisation provided in the Bid cum Application Form. If the Discount is applicable in the Offer, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- b) Bidders who Bid at Cut-off Price shall deposit the Bid Amount based on the Cap Price.
- c) All Bidders (except Anchor Investors) can participate in the Offer only through the ASBA mechanism.
- d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 Instructions for Anchor Investors:

- a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- b) Payments should be made either by RTGS, NEFT or cheque/ demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Anchor Investor Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- c) If the cheque or demand draft accompanying the Bid cum Application Form is not made favoring the Escrow Account, the Bid is liable to be rejected.
- d) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.
- e) Anchor Investors are advised to provide the number of the Anchor Investor Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 Payment instructions for Bidders (other than Anchor Investors)

- a) Bidders may submit the Bid cum Application Form either
 - 1) in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or
 - 2) in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - 3) in physical mode to any Designated Intermediary.
- b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

- d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- f) Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified Locations. Bidders should also note that Bid cum Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- g) Bidders bidding through a Registered Broker, RTA or CDP should note that Bid cum Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Bid cum Application Forms.
- h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Offer, or until withdrawal or rejection of the Bid, as the case may be.
- n) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 Unblocking of ASBA Account

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

- c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer Closing Date.

4.1.7.3 Discount (if applicable)

- a) The Discount is stated in absolute rupee terms.
- b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Offer, Bidders may refer to the RHP/Prospectus.
- c) The Bidders entitled to the applicable Discount in the Offer may block an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- a) Only the First Bidder/ Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- a) Bidders should ensure that they receive the Acknowledgement Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Bid cum Application Form.
- b) All communications in connection with Bids/Applications made in the Offer should be addressed as under:
- 1) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Sshares, refund orders, the Bidders/Applicants should contact the Registrar to the Offer.
 - 2) In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
 - 3) In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders/Applicants should contact the relevant Syndicate Member.
 - 4) In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker
 - 5) In case of Bids submitted to the RTA, the Bidders/Applicants should contact the relevant RTA.
 - 6) In case of Bids submitted to the DP, the Bidders/Applicants should contact the relevant DP.
 - 7) Bidder/Applicant may contact our Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Offer.

- c) The following details (as applicable) should be quoted while making any queries –
- 1) full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application;
 - 2) name and address of the Designated Intermediary, where the Bid was submitted; or
 - 3) In case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.
- d) In case of Anchor Investor bids cheque or draft number and the name of the issuing bank thereof.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- a) During the Bid/Offer Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- b) RII may revise their bids or withdraw their Bids till the Bid/Offer Close Date.
- c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d) The Bidder/Applicant can make this revision any number of times during the Bid/Offer Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
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LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED	<table border="1" style="margin: auto;"> <tr><td style="text-align: center;">BOOK BUILT ISSUE</td></tr> <tr><td style="text-align: center;">ISIN :</td></tr> </table>	BOOK BUILT ISSUE	ISIN :	<table style="width:100%;"> <tr> <td style="width:50%;">Bid cum Application Form No.</td> <td style="width:50%; border: 1px solid black; height: 20px;"></td> </tr> </table>	Bid cum Application Form No.	
BOOK BUILT ISSUE						
ISIN :						
Bid cum Application Form No.						

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr./Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER

BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL
		For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)												
Bid Options	No. of Equity Shares Bid (Bid: must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1											<input type="checkbox"/>	
(OR) Option 2											<input type="checkbox"/>	
(OR) Option 3											<input type="checkbox"/>	

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")												
Bid Options	No. of Equity Shares Bid (Bid: must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1											<input type="checkbox"/>	
(OR) Option 2											<input type="checkbox"/>	
(OR) Option 3											<input type="checkbox"/>	

6. PAYMENT DETAILS										PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>		
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____												
ASBA Bank A/c No. _____												
Bank Name & Branch _____												

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE / FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the law	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : _____	1) _____ 2) _____ 3) _____	

LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No.
-------------	--	--	-------------------------------------

DPID / CLID		PAN of Sole / First Bidder
Additional Amount Paid (₹) _____ Bank & Branch _____		Stamp & Signature of SCSB Branch
ASBA Bank A/c No. _____		
Received from Mr./Ms. _____		
Telephone / Mobile _____	Email _____	

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	<table style="width:100%;"> <tr> <th>Option 1</th><th>Option 2</th><th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td><td></td><td></td> </tr> <tr> <td>Bid Price</td><td></td><td></td> </tr> <tr> <td>Additional Amount Paid (₹)</td><td></td><td></td> </tr> </table>	Option 1	Option 2	Option 3	No. of Equity Shares			Bid Price			Additional Amount Paid (₹)			Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder _____
Option 1	Option 2	Option 3													
No. of Equity Shares															
Bid Price															
Additional Amount Paid (₹)															
ASBA Bank A/c No. _____ Bank & Branch _____		Acknowledgement Slip for Bidder													
		Bid cum Application Form No.													

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3. 4.2.2

FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.
- b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process.
- d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

4.2.3 FIELD 6: PAYMENT DETAILS

- a) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Bidder/Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

- d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4 FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

- a) The Issuer may mention Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Manager to the Offer (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.
- d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- e) An application cannot be submitted for more than the Offer size.
- f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- h) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:
- 1) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.
 - 2) For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- i) The following applications may not be treated as multiple Bids:
- 1) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Offer portion in public category.

- 2) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
- 3) Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

- a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Offer are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Offer, applicants may refer to the Prospectus.
- c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

- a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue
- b) Application Amount cannot be paid in cash, through money order, cheque or through postal order or through stock invest.

4.3.5.1 Payment instructions for Applicants

- a) Applicants may submit the Application Form in physical mode to the Designated Intermediaries.
- b) Applicants must specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- f) Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

- j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Offer, or until withdrawal or rejection of the Application, as the case may be.
- l) SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2 Unblocking of ASBA Account

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Offer may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Offer Closing Date.

4.3.5.3 Discount (if applicable)

- a) The Discount is stated in absolute rupee terms.
- b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Offer, applicants may refer to the Prospectus.
- c) The Applicants entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM/APPLICATION FORM

4.4.1 Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	<ul style="list-style-type: none"> To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	<ul style="list-style-type: none"> To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location To the Designated Branches of the SCSBs where the ASBA Account is maintained

- a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- c) Upon determination of the Offer Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Offer Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- a) During the Bid/Offer Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- b) In case of Bidders/Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

- a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Offer Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Offer Period.

5.4 WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid/Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
 - 1) the Bids accepted by the Designated Intermediaries,
 - 2) the Bids uploaded by the Designated Intermediaries, and
 - 3) the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- b) Bids/Applications by OCBs; and
- c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Bid cum application form/Application Form;
- e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- f) Bids/Applications by persons in the United States excluding persons who are a U.S. QIB (as defined in this Draft Prospectus);
- g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

- h) PAN not mentioned in the Bid cum Application Form/Application Form, except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- k) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;
- l) Bids/Applications at Cut-off Price by NIIs and QIBs;
- m) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- o) Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account;
- p) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- q) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- r) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Offer Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- s) Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;
- t) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- u) Where no confirmation is received from SCSB for blocking of funds;
- v) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- w) Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Offer;
- x) Bids/Applications not uploaded on the terminals of the Stock Exchanges; and
- y) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

- a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Prospectus.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and

the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

- c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.
- d) Illustration of the Book Building and Price Discovery Process Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLMs, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Offer. As the Offer Price is mentioned in the Fixed Price Offer therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the Application Form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date.

In a fixed price Offer, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Offer Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Offer Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot (“**Maximum RII Allottees**”). The Allotment to the RIIs will then be made in the following manner:

- a) In the event the number of RIIs who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- b) In the event the number of RIIs who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Offer Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Offer Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Offer Price; and (iii) Equity Shares remaining unsubscribed, if

any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

- b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Offer Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Offer Price will be at the discretion of the issuer in consultation with the Investor Selling Shareholder and the BRLMs, subject to compliance with the following requirements:
- 1) not more than 60% of the QIB Category will be allocated to Anchor Investors;
 - 2) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - 3) allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum Allotment of ₹ 5 crores per such Anchor Investor; and
 - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores, and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum Allotment of ₹ 5 crores per such Anchor Investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) **In the event that the Offer Price is higher than the Anchor Investor Offer Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Offer Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- d) **In the event the Offer Price is lower than the Anchor Investor Offer Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Offer being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders may be categorized according to the number of Equity Shares applied for;
- b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders

in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

- c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- a) Designated Date: On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Offer. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- b) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.
Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Offer.
- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Offer Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. The Registrar to the Offer may give instructions for credit to Equity Shares the beneficiary account with CDPs, and dispatch the Allotment Advice within six Working Days of the Bid/Offer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Offer Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

- a) **In case of Bids/Applications (other than Anchor Investors):** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- b) **In case of Anchor Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- c) In case of Anchor Investors, the Registrar to the Offer may obtain from the depositories, the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly,

Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- a) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- b) **Direct Credit** - Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- c) **RTGS** - Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers, etc. Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 working days of the Bid/Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Offer Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted

Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant
Banker(s) to the Offer / Escrow Collection Bank(s) / Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Offer
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Offer Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Opening Date
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Period

Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process / Book Building Process / Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s) / Book Running Lead Manager(s) / Lead Manager / LM	The Book Running Lead Manager to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN / Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (exc Anchor Investor) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants.

Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs.
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may issue cheques or demand drafts or transfer money through NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue / Fixed Price Process / Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000

IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price The Offer Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)

PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Issue Account	An account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus / RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Offer. The RHP may be filed with the RoC at least three working days before the Bid/Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTO	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category / Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹ 200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.

Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Bidding centres where the Syndicate shall accept Application Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s) / SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	Any day, other than 2 nd and 4 th Saturday of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, “Working Days” shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued Circular 1 of 2015 (“Circular 1 of 2015”), which with effect from May 12, 2015, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on May 11, 2015. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, Circular 1 of 2015 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and transfer does not attract the provisions of the Takeovers Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

There is no reservation for non-residents, NRIs, Eligible FPIs, foreign venture capital funds, multilateral and bilateral development financial institutions and any other foreign investor. All non-residents, NRIs, Eligible FPIs and foreign venture capital funds, multilateral and bilateral development financial institutions and any other foreign investor applicants will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares offered in the Issue have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Bidders are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them

SECTION X – MAIN PROVISIONS OF ARTICLE OF ASSOCIATION

THE COMPANIES ACT 1956 and COMPANIES ACT, 2013
(TO THE EXTENT APPLICABLE)
(Public Company Limited by Shares)

ARTICLES OF ASSOCIATION

OF

AGI HOSPITALITIES LIMITED

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Table F in Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:

These Articles of Association were adopted in substitution for and to the entire exclusion of the earlier Articles of Association at the Extra-ordinary General Meeting of the Company held on October 07, 2015.

Interpretation

I.

(1) In these regulations—

(a) “the Act” means the Companies Act, 2013,

(b) “the seal” means the common seal of the company.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereon in force at the date at which these regulations become binding on the company.

(2A) These articles may also include any of the provisions of any Memorandum of Understanding (MOU) which may be entered in future in case, if any need arise, among directors and shareholders, and they will be binding on the directors and shareholders of the company. And whereas in the event of any conflict between the terms of this Memorandum of Understanding and the Articles of Association of the company, the provisions of these Articles of Association (AOA) shall prevail; except however, on matters explicitly stated within any such MOU, to be such that on those specific matters, the contents of any such MOU will prevail over these Articles of Association.

Share capital and variation of rights

II.

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2.

(i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3.

- (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificates lost or destroyed then upon proof thereof to the satisfaction of the company and one execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.

4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5.

- (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6.

- (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *paripassu* therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

9.

- (i) The company shall have a first and paramount lien—
- (a) on every share (not being a fully paid share), for all monies (whether presently Payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be in wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11.

- (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12.

- (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13.

- (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16.

- (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. Per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17.

- (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

- (a) may, if it thinks fit, receive from any member willing to advance the same, allot any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19.

- (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

- 20.** The Board may, subject to the right of appeal conferred by section 58 declines to register—
- (a) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - (b) Any transfer of shares on which the company has a lien.
- 21.** The Board may decline to recognize any instrument of transfer unless—
- (a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
 - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (c) The instrument of transfer is in respect of only one class of shares.
- 22.** On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

- 23.**
- (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.
 - (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 24.**
- (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
 - (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
 - (ii) The Board shall, in either case, have the same right to decline or suspend registrations it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 25.**
- (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
 - (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
 - (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the

death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to select either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of shares

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time there after during such time as any part of the installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notices to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30.

(i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31.

(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32.

(i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

- (iii) The transferee shall there upon be registered as the holder of the share; and
 - (iv) The transferee shall not be bound to see to the application of the purchase money ,if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- 33.** The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

- 34.** The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in there solution.
- 35.** Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- 36.** Where shares are converted into stock,—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
- Provided** that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
 - (c) such of the regulations of the company as are applicable to paid-up shares hall apply to stock and the words “share” and “shareholder” in those regulation shall include “stock” and “stock-holder” respectively.
- 37.** The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

Capitalisation of profits

38.

- (i) The company in general meeting may, upon the recommendation of the Board, resolve—
 - (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
 - (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
 - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
 - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39.

- (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
 - (a) Make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
 - (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
 - (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

- 40.** Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

- 41.** All general meetings other than annual general meeting shall be called extra ordinary general meeting.
- 42.**
- (i) The Board may, whenever it thinks fit, call an extra ordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

- 43.**
- (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- 44.** The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- 45.** If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of them meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- 46.** If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

- 47.**
- (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; And
 - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 50.
- (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
 - (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 54.
- (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - (ii) Any such objection made in due time shall be referred to the Chairperson of them meeting, whose decision shall be final and conclusive.

Proxy

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

- 58.** The number of Directors shall not be less than three as well as not more than twelve.
- 59. The First Directors of the Company are:**
- 1. Mr. Sukhdev Singh - Chairman & Managing Director**
 - 2. Mrs. Salwinderjit Kaur – Director**
- 60.**
- (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
 - (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
 - (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
 - (b) in connection with the business of the company.
- 61.** The Board may pay all expenses incurred in getting up and registering the company.
- 62.** The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- 63.** All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
- 64.** Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 65.**
- (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
 - (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

- 66.**
- (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
 - (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 67.**

- (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 68.** Notice of every meeting of the Board of Directors of the Company shall be given by registered post and/ or electronically to every Director at his/her usual address/e-mail address and E-communication or video conferencing or any other means of contemporaneous communication permissible under law will be a valid and legitimate means of conducting Company Board Meetings.
- 69.** The continuing directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 70.**
- (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.
- 71.**
- (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 72.**
- (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 73.**
- (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- 74.** All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- 75.** Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

- 76.** Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- 77.** A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

- 78.**
- (i) The Board shall provide for the safe custody of the seal.
 - (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

- 79.** The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 80.** Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- 81.**
- (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
 - (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 82.**
- (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 83.** The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 84.**
- (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 85.** Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 86.** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 87.** No dividend shall bear interest against the company.

Accounts

- 88.**
- (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

- 89.** Subject to the provisions of Chapter XX of the Act and rules made there under—
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

90. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION XI – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material have been attached to the copy of the Draft Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Application/Issue Opening Date until the Application/Issue Closing Date.

A. Material Contracts

1. Memorandum of Understanding dated January 11, 2016 between our Company and the Lead Manager.
2. Memorandum of Understanding dated January 12, 2016 between our Company and the Registrar to the Issue.
3. Escrow Agreement dated [●] between our Company, the Lead Manager, Escrow Collection Bank(s), Refund bank and the Registrar to the Issue.
4. Market Making Agreement dated January 11, 2016 between our Company, the Lead Manager and the Market Maker.
5. Underwriting Agreement dated January 11, 2016 between our Company, the Lead Manager and the Market Maker.
6. Tripartite agreement between the NSDL, our Company and the Registrar dated [●].
7. Tripartite agreement between the CDSL, our Company and the Registrar dated [●].

B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certification of Incorporation of AGI Hospitalities Limited.
3. Resolution of the Board of Directors meeting dated January 09, 2016, authorizing the Issue.
4. Shareholders' resolution passed at the Extra Ordinary General Meeting with a shorter notice dated January 09, 2016 authorizing the Issue.
5. Auditor's Report for Restated Financials dated January 14, 2016 included in this Draft Prospectus.
6. The Statement of Tax Benefits dated January 14, 2016 from our Statutory Auditors.
7. Consent of our Directors, Auditors, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriters, Escrow Collection Bank(s) and Refund Bank as referred to in their specific capacities.
8. Due Diligence Certificate(s) dated [●] of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.
9. Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the SME Platform of the BSE.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations or guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as amended or rules made there under or guidelines / regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Mr. Sukhdev Singh
Chairman and Managing Director

Mrs. Salwinderjit Kaur
Executive Director

Mr. Varinder Singh
Non-Executive Non-Independent Director

Mr Ravi Kant Aggarwal
Non-Executive Independent Director

Mr. Manjit Singh
Non-Executive Independent Director

SIGNED BY THE CHIEF FINANCIAL OFFICER

Mr. Sunny Kumar
(Chief Financial Officer)

Date: January 18, 2016
Place: Jalandhar