



SKSS LIFESTYLE LIMITED

CIN: U74110MH2011PLC214128

Our Company was incorporated as Sai Kripa Markserve Private Limited on February 28, 2011 under the Companies Act, 1956. Vide special resolution dated September 27, 2013; the name of the Company was changed to SKSS Lifestyle Club Pvt. Ltd. and subsequently converted to a Public limited company in the year 2016. A fresh Certificate of Incorporation consequent upon Conversion of Company to SKSS Lifestyle Club Limited was issued on February 12, 2016 by the Registrar of Companies, Mumbai. In March, 2016, name of our Company was altered to SKSS Lifestyle Limited. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter "History and Certain Corporate Matters" on page no. 83 of this Draft Prospectus.

Registered Office: 903, 9th Floor, Trade World, C-Wing, Kamala City Kamala Mill Compound Senapati Bapat Marg, Lower Parel (W), Mumbai – 400 013.
Tel No.: +91 – 22 – 4002 1540 / 4006 1540; **Email:** info@skssclub.com; **Website:** www.skssclub.com

Contact Person: Ms. Neha Borkar, Company Secretary and Compliance Officer.

Our Promoters: Mr. Surendra Hindu Singh Bhati and SKSS Services Limited

THE ISSUE

PUBLIC ISSUE OF 11,60,000 EQUITY SHARES OF ₹ 10/- EACH ("EQUITY SHARES") OF SKSS LIFESTYLE LIMITED ("SKSSLL" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 35 PER SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ 406.00 LAKHS ("THE ISSUE") OF WHICH, 64,000 EQUITY SHARES OF ₹ 10/- EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 10,96,000 EQUITY SHARES OF ₹ 10/- EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 31.69% AND 29.95%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS 3.5 TIMES OF THE FACE VALUE

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. 164 of this Draft Prospectus.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page no. 171 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the Issue Price is 3.5 times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated under "Basis for Issue Price" beginning on page no. 59 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 or regarding the price at which the Equity 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 the 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 the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 11 of this Draft Prospectus.

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 the Issuer 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 NSE i.e., "NSE EMERGE PLATFORM". Our Company has received an approval letter dated [●] from NSE for listing our shares on the NSE Emerge Platform. For the purposes of the Issue, the Designated Stock Exchange shall be the NSE Emerge SME Platform ("NSE").

LEAD MANAGER TO THE ISSUE

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 – 6216 6999
Fax No.: +91 – 22 – 2263 0434
Email: info@afsl.co.in
Website: www.afsl.co.in

Investor Grievance Email: feedback@afsl.co.in
Contact Person: Mr. Shreyas Shah/ Mr. Karanjyot Singh Sethi
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
1BSEBI Registration No.: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
SKSS Lifestyle Limited/ SKSSLL/ The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to SKSS Lifestyle Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the Mumbai, Maharashtra.
Promoter(s)	The Promoters of our company: <ul style="list-style-type: none"> • Mr. Surendra Hindu Singh Bhati • SKSS Services Limited
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations
Group Companies	<ul style="list-style-type: none"> • SKSS Texcon Limited • SKSS Industries Pvt. Ltd. • Mohan Kripa Retail Pvt. Ltd. • SKSS Impex Pvt. Ltd. • Sundha Mata Motors Pvt. Ltd. • SKSS Foundation(U/S 8) • SKSS Bharosa Holding Pvt. Ltd. • SKSS Technology Pvt. Ltd. • SKSS Traders Pvt. Ltd. • Sai Kripa General Insurance Pvt. Ltd. • Sai Kripa Media Pvt. Ltd. • SKSS Rooms & Stay Pvt. Ltd. • Sai KripaTraveltrip Pvt. Ltd. • Cherished Traders Pvt. Ltd. • Skyfall Trading Pvt. Ltd. • Mahecha Multi Traders Pvt. Ltd. • Rathore Tradelink Private Limited • USS International Trading Pte Ltd. • SKSS International Ltd • SKSS International Trading LLC

Company related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of SKSS Lifestyle Limited.
Auditor of the Company (Statutory Auditor)	M/s. Jagiwala And Associates, Chartered Accountants, having their office at Shanti Bhuvan, 28-C, Vallabhbhai Road, Vile Parle (W), Mumbai – 400056, Maharashtra.
Audit Committee	The Audit Committee constituted by our Board of Directors on July 18, 2016
Board of Directors / Board	The Board of Directors of SKSS Lifestyle 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.
Company Secretary and Compliance Officer	Ms. Neha Borkar
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of SKSS Lifestyle Limited., unless otherwise specified



Term	Description
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
Equity Shareholders	Persons holding Equity Share of our Company
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
MOA / Memorandum / Memorandum of Association	Memorandum of Association of SKSS Lifestyle Limited.
Non Residents	A person resident outside India, as defined under FEMA.
NRIs / 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.
Peer Review Auditor	M/s. V.N. Purohit & Co, Chartered Accountants having their office at 214, New Delhi House, 27, Barakhamba Road, New Delhi- 110001.
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.
Registered Office	The Registered Office of our company which is located at: 903, 9th Floor, Trade World, C-Wing, Kamala City, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400 013, Maharashtra.
RoC	Everest, 100, Marine Drive, Mumbai – 400 002.
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 NSE Emerge SME Exchange.

Issue Related Terms

Term	Description
Allotment	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful applicants
Allottees	The successful applicant to whom the Equity Shares are being / have been allotted.
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 Offer.
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
Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Draft Prospectus / Prospectus and the Application Form.
Banker(s) to the Company	[●]
Banker(s) to the Issue	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being [●].
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. 171 of this Draft Prospectus.
Business Day	Monday to Friday (except public holidays)



Term	Description
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 Applications by the Applicants 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
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Designated SCSB 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 the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Offer Account.
Designated Market Maker	Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited) will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange
Designated Stock Exchange	SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE
Eligible NRIs	An NRI from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom 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 Agreement	Agreement entered into amongst the Company, Lead Manager, the Registrar and the Banker to the Issue to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Issue/ Issue Size / Public Issue/ IPO	This Initial Public Offer of upto 11,60,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 35/- per equity share (including a share premium of ₹ 25/- per equity share) aggregating to ₹ 406 lakhs by SKSS Lifestyle 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 ₹ 35/- per share.
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 “Objects of the Issue” beginning on page no. 54 of this Draft Prospectus



Term	Description
LM / Lead Manager	Lead Manager to the Offer, 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 NSE.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Aryaman Capital Markets Limited, who has agreed to receive or deliver the specified securities in the market making process.
Market Maker Reservation Portion	The Reserved portion of 64,000 Equity shares of ₹ 10/- each at an Issue Price of ₹ 35 (including share premium of ₹ 25 per Equity Share aggregating to ₹ 22.40 lakhs for Designated Market Maker in the Public Issue of our Company.
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 upto 11,60,000 Equity Shares of ₹ 10 each at ₹ 35/- (including share premium of ₹ 25/-) per Equity Share aggregating to ₹ 406 lakhs by SKSS Lifestyle 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 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, 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.
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 (FPI) 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, 1997 or SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as the case may be.
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
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 September 20, 2016.
U.S. Securities Act	U.S. Securities Act of 1933, as amended



Term	Description
Working Day	Other than second and fourth Saturday of the month, Sunday or public holiday, on which commercial banks in Mumbai are open for business, provided however with reference to (a) Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, on which the commercial banks in Mumbai are open for business; and (b) the period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, shall mean all trading days of Stock Exchange, excluding Sundays and bank holidays as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/ dated January 21, 2016."

Technical / Industry related Terms

Term	Description
B2B	Business to Business
COCO	Company Owned Company Operated
CSO	Central Statistics Organization
CAGR	The compound annual growth rate (CAGR) is a useful measure of growth over multiple time periods. It can be thought of as the growth rate that gets you from the initial investment value to the ending investment value if you assume that the investment has been compounding over the time period.
EBITDA	Earnings before interest, tax, depreciation and amortization (EBITDA) is a measure of a company's operating performance. Essentially, it's a way to evaluate a company's performance without having to factor in financing decisions, accounting decisions or tax environments.
EBOs	E Business Operating Systems
e-commerce	Commercial transactions conducted electronically on the Internet
FDI	Foreign direct investment
IMF	International Monetary Fund
IBIS World	IBIS World is one of the world's leading publishers of business intelligence, specializing in Industry research and Procurement research
Kiosks	A small open-fronted hut or cubicle from which newspapers, refreshments, tickets, etc. are sold
MBO	Multi-brand outlet
RBI	Reserve Bank of India
SIS	Shop-in-Shop

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
EOGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EPS	Earnings Per Share



Term	Description
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
FIIIs	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
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
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
NSE	National Stock Exchange of India 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
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 Regulations (ICDR)	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Regulations (SAST)	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI Regulations (LODR)	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
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



Term	Description
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, 2016, 2015, 2014, 2013 and 2012 and for 3 months period ended June 30, 2016 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. 11, 69 and 134 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. 218 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 Men’s Fashion Accessories market in India where 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:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in Plastic Industry.
- Our ability to successfully implement our growth strategy and expansion plans;
- Our failure to keep pace with rapid changes in technology;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our ability to manage risks that arise from above factors;
- Changes in government policies and regulatory actions that apply to or affect our business.
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks;
- Changes in consumer demand;
- Failure to successfully upgrade our products and service portfolio, from time to time; and

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.11, 69 and 134 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 Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page nos. 69 and 134 of this Draft Prospectus respectively as well as other financial and statistical information contained in this Draft Prospectus. 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.

This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto.

Materiality

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

1. Some events may have material impact quantitatively;
2. Some events may have material impact qualitatively instead of quantitatively;
3. Some events may not be material individually but may be found material collectively;
4. Some events may not be material at present but may be having material impact in future.

Internal Risk Factors

- 1. Inventories and trade receivables form a substantial part of our current assets and net worth. Failure to manage our inventory and trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

We are in the business of marketing and distribution of branded and unbranded men's fashion accessories and also other textile products. Our Company's business is working capital intensive and hence, inventories and trade receivables form a substantial part of our current assets and net worth. The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables.

To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. However, if our management misjudges expected customer demand, it could cause either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we purchase, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows. Also, being associated with the fashion industry, our inventory can become obsolete and thus have no realisable value at all.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and distributors and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in



increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

2. *We have not entered into any long-term agreements with our suppliers for procuring our textile products and accordingly may face disruptions in supply from our current suppliers*

We are in the business of marketing and distribution of various men's fashion accessories and other textile products. We procure these products from local traders, dealer and / or manufacturers, who supply us these products on an order basis after customising the same based on our brand name, quality and design. Since, these orders are given according to specific requirements, no specific agreement / MoU have been entered into between our Company and our suppliers and we typically transact on an invoice basis for each order. These suppliers provide us the products based on trust, service and the ready finance provided by us. In the absence of written agreements, our suppliers can withdraw the orders from us at any time. There can be no assurance that there will not be a significant disruption in the supply of these traded goods from current sources, or, in the event of a disruption, that we would be able to locate alternative suppliers of the goods of comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, consistency, responsiveness and service, financial stability and other ethical practices. If we are unable to maintain our relationship with our current raw material suppliers it may prove difficult to obtain the same from other regulated players.

Any delay, interruption or increased cost in the supply of our products arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

3. *Our Company distributes its products through fixed distributors under Master Distribution Agreement(s). In case of non-fulfilment of agreement obligations or cancellation of the agreement, under its terms or prematurely, we may not be able to generate the required sales and lose market share in that region, thus adversely affecting our revenues and profitability.*

Our Company has entered into Master Distribution Agreements with four (4) different distributors. These distributors cover the States of Maharashtra, Gujarat, Rajasthan, Haryana and Delhi and our sales in that region are dependent on the distributor in that State. Though we have sales through agents, our majority sales are through these distributors. In case these distributors revoke the agreement, or any non-fulfilment of the terms of the agreement our sales in that region will be adversely affected. In case of pre-mature cancellation of the agreement by any distributor or non-renewal of the agreement upon expiry of the same, we cannot guarantee that we will be able to renew the same with a trusted distributor in the terms and conditions favourable to us or at all. Also, we cannot ensure that we will be able to find a suitable distributor with a wide enough network to sell our products successfully in its region and unable to do so may reduce our market share in that region eventually leading to reduction in our revenue.

Although we maintain good relations with our distributors such that we get maximum reach for our products, any disruption in the day-to-day execution of the same could adversely affect the business and the profitability of our Company.

4. *Substantial portion of our revenues has been dependent upon our few clients. The loss of any one or more of our major clients would have a material adverse effect on our business operations and profitability.*

Due to master distributor model of sales; our clients include the various distributors that market our product and also some Direct Selling Agents. Hence even though we are indirectly having access to over 30 sub-distributors and various other points of sale due to these master agreements and our end customers would be many in number; our invoicing of sales is ultimately to these few key middle men. For the financial year ended March 31, 2016, our top five clients accounted for approximately 56.47% of our gross revenues from operations while for the financial years ended March 31, 2015 and 2014, our top three clients accounted for approximately 100% and 100%, respectively of our gross revenues from operations. The loss of a significant client/distributor or clients would have a material adverse effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients/distributors or that we will be able to replace these clients/distributors in case we lose any of them. Furthermore, major events affecting our clients/distributors, such as bankruptcy, change of management, mergers and acquisitions could adversely impact our business. If any of our major clients/distributors becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, adversely impacting our income and financial condition.



5. ***Our major revenues are derived from sales made in the States of Maharashtra, Gujarat, Rajasthan, Haryana and Delhi in India. Our growth strategy to expand into new geographic areas poses risks. We may not be able to successfully manage some or all of such risks, which may have a material adverse effect on our revenues, profits and financial condition.***

Our operations have been geographically concentrated in the States of Maharashtra, Gujarat, Rajasthan, Haryana and Delhi. Our business is therefore significantly dependent on the general economic condition and activity in these States in which we operate along with the Central, State and Local Government policies relating to garment and fashion industry. Although investment in the garment and fashion industry in the areas in which we operate has been encouraged, there can be no assurance that this will continue. We may expand geographically, and may not gain acceptance or be able to take advantage of any expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities. We may face additional risks if we undertake operations in other geographic areas in which we do not possess the same level of familiarity as competitors. If we undertake operations in different geographical locations than those currently is; we may be affected by various factors, including but not limited to:

- Adjusting our products to the new geographic area;
- Ascertaining the creditworthiness of the buyer and maintain credit terms with the same;
- Obtaining necessary Government and other approvals in time or at all;
- Failure to realize expected synergies and cost savings;
- Attracting potential customers in a market in which we do not have significant experience; and
- Cost of hiring new employees and absorbing increased costs.

6. ***If we are unable to maintain and enhance the 'SKSS Club' brand, the sales of our products will suffer which would have a material adverse effect on our results of operations.***

We believe that the brand image we have developed has significantly contributed to the success of our business. We also believe that maintaining and enhancing the 'SKSS Club' brand, is critical to maintaining and expanding our customer base. Maintaining and enhancing our brand may require us to make substantial investments in areas such as research and development, distributorship operations, franchisee operations, outlet operations, marketing and employee training, and these investments may not be successful. We anticipate that, as our business expands into new markets and as the market becomes increasingly competitive, maintaining and enhancing our brand may become increasingly difficult and expensive. Our brand may also be adversely affected if our public image or reputation is tarnished by negative publicity. Maintaining and enhancing our brand will depend largely on our ability to anticipate, gauge and respond in a timely manner to changing fashion trends and consumer demands and preferences, and to continue to provide high quality products and services, which we may not do successfully. If we are unable to maintain or enhance our brand image, our results of operations may suffer and our business may be harmed.

7. ***We sell our products in highly competitive markets and our inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.***

Men's fashion accessories sector is highly and increasingly competitive and our results of operations are sensitive to, and may be materially and adversely affected by, competitive pricing and other factors. Competition may result in pricing pressure, reduced profit margin or a failure to increase our market share, any of which could substantially harm our business and results of our operations.

We compete directly against wholesalers and direct retailers of garments, diversified garments companies with substantial market share, established companies selling internationally renowned brands as well as domestic retailers and regional competitors. Many of our competitors are fashion accessories companies with strong brand recognition. However, the domestic fashion accessories segment is fragmented and continues to be dominated by unorganized and regional suppliers. We compete primarily on the basis of brand image, style, performance and quality. In order to compete effectively, we must continue to maintain and develop our brand image and reputation, be flexible and innovative in responding to rapidly changing market demands and customer preferences and offer customers a wide variety of good quality fashion accessories at competitive prices.

Many of our competitors have significant competitive advantages, including longer operating histories, larger and broader customer base, more established relationships with a broader set of suppliers, greater brand recognition and greater financial, research and development, marketing, distribution budgets and other resources than we do.



The number of our direct competitors and the intensity of competition may increase as we expand into other product lines or as other companies expand into other product lines. Our competitors may enter into business combinations or alliances. Our competitors may also be able to respond more quickly and effectively than we do to new or changing opportunities, standards or customer preferences, which could result in a decline in our revenues. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

8. We constantly face a credit risk which may in turn affect our complete buying cycle adversely.

As a trading Company, our primary competence is the ability to distribute and market various men's fashion accessories in bulk quantities across five (5) states in India, readily available to various small and big stores and hence exploit the benefits of variety, economies of scale and credit shortage in the fashion accessories market. Our requirement of working capital is high mainly due to our ability to outright purchase and store huge amount of stock, thus relieving the supplier / manufacturer of its cost and storage issue. This stock is then gradually distributed by our master distributors to various small distributors, agents and stores as per their demand estimates in each State. In order to maintain trading relations and manage competition, we provide long term credit facilities to these master distributors. Our Debtors turnover period is an average 80-85 days while our Creditors turnover period ranges in 25-30 days leading to a high working capital gap.

Our aforementioned buying cycle is heavily dependent on timely payments being received from our master distributors and online sales. If there is a default in payment from any of our distributors or there is any unforeseeable delay in payment, our working capital cycle will be adversely affected. This may lead to our inability to maintain our inventories and thus lack the competitive advantage against our competitors leading to an adverse effect on our business operations and profitability.

9. Our Company has reported certain negative cash flows from its operating activity, investing activity and financing activity, details of which are given below. Sustained negative cash flow could impact our growth and business

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:

(₹ in lakhs)

Particulars	For the year ended March 31,			
	2016	2015	2014	2013
Cash flow from Operating Activities	(711.42)	(45.69)	(103.03)	0.36
Cash flow from Investing Activities	(72.76)	(11.08)	(0.71)	-
Cash flow from Financing Activities	782.34	63.12	104.27	0.10

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.

10. Our Company has entered into certain related party transactions and may continue to do so in the future

Our Company has entered into related party transactions with our Promoters, Directors and the Promoter Group aggregating ₹ 363.09 lakhs for the last financial year ended March 31, 2016. 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 XXIII - Related Party Transactions" under section titled "Financial Statements" on page no. 130 of this Draft Prospectus.

11. Our business is heavily dependent on our suppliers.

We do not manufacture any of the products that we trade in. As a trader of men's fashion accessories, our business is heavily depended on the products manufactured by various garment and fashion accessory manufacturers. We



procure the products with customisation from various suppliers based on availability of desired quality, quantity and other financial terms. We are required to rely heavily on a few suppliers and the quality of products supplied by them. Though we do not manufacture any product ourselves, we have substantial marketing or branding requirements for business, and we are reliant on our suppliers for giving us timely delivery, products of agreed quality and products customised as per our need. Our sales and profitability would be adversely affected in case of any management inabilities or errors on part of our suppliers.

Following are some of the important factors about our business which we do not directly have control over and are dependent on our suppliers:

- ✓ Quality consistency of the products and its variants
- ✓ Branding and other customisation of these products on a large scale
- ✓ Errors or rollbacks in sold products creating negative goodwill and consumer litigations
- ✓ Cost competitiveness of these products.
- ✓ Supplier side logistics which in turn affect our delivery levels to clients

Further, being a trading Company concentrating in mainly in the State of Maharashtra and Madhya Pradesh, we face the risk of our suppliers' reducing their focus in these states due to competitive pressures and other internal management decisions and hence we may not receive the necessary support from our supplier companies. Also, we face the risk of the management of our supplier companies collaborating with some other trader and thus reducing our share of supply, which we cannot ensure would be as per our required terms. Any negative development involving our suppliers and their products, could adversely affect our business growth, profitability, results of operations and goodwill and we may not be in a position to alter or avoid such developments.

12. We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations

As of March 31, 2016, we have ₹ 647.39 lakhs (excluding non-fund based) of outstanding debt on our balance sheet. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.

If any of these risks were to materialise, our business and results of operations may be adversely affected.

13. 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.
- 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) and by a personal guarantee of our Promoters. 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.

14. Our Company is involved in certain legal proceedings. Any adverse decision in such proceedings may render us liable to liabilities / penalties which may adversely affect our business, financial condition and reputation.

Our Company, is involved in certain legal proceedings. A classification of these legal and other proceedings are given in the following table:

Entity	Civil cases	Criminal cases	Tax cases	Financial implications to the extent quantifiable (₹ in lakhs)
Litigations against our Company	Nil	Nil	2	Cannot be ascertained
Litigations by our Company	Nil	Nil	Nil	Nil

We can give no assurance that these legal proceedings will be decided in our favour. We may incur significant expenses and management time in such legal proceedings. If any adverse developments arise, for example, a change in Indian law or rulings against us by the appellate courts or tribunals, we may face losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. Any adverse decision may render us liable to liabilities / penalties and may have a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares.

For further details regarding these legal proceedings, please refer 'Outstanding Litigations and Material Developments' on page no.147 of this Draft Prospectus.

15. We rely on third parties for substantially all of our sales and distribution operations, and if such third parties fail to assist us in a consistent, timely and efficient manner, our business, results of operations and financial condition may be adversely affected.

Our sales and distribution operations depend substantially upon our network of third parties acting either as commissioned agents / master distributors / ecommerce service providers. As of March 31, 2016, we have entered into agreements / arrangements with four (4) master distributors and two (2) ecommerce service providers through whom we distribute our products and, our total revenue through our authorized distributors for the fiscals ended March 31, 2016, March 31, 2015 and March 31, 2014 were approximately 85.61%, 100% and 100% of our total revenue from operations; and from ecommerce service providers for the fiscals ended March 31, 2016, March 31, 2015 and March 31, 2014 were approximately 0.0005%, 0.00% and 0.00% of our total revenue from operations.

We cannot assure you that such third parties will be able to establish or maintain adequate sales capabilities, or will be successful in ensuring sale of our products. Further, although we enter into exclusive agreements with such third parties, we cannot assure you that such third parties will be able to fulfil their obligations under such agreements entirely, in a manner acceptable to us, or at all. Authorized distributors, as independent business operators, may, from time to time, disagree with us and our strategies regarding the business or our interpretation of our respective rights and obligations under applicable agreements. We cannot assure you that such third parties shall not breach certain terms of such agreements, or shall not choose to terminate their agreements with our Company. We may



have to initiate litigation in respect of any breach by such third parties, and such litigation could divert the attention of our management from our operations, which could harm our business, financial condition and results of operation. Further, we cannot assure you that the outcome of any such litigation will be favourable to us.

Any adverse experience of customers of such commissioned agents / authorized distributors, or negative publicity attracted by such commissioned agents / authorized distributors could adversely affect our reputation and brand and business prospects. If we are unable to establish or maintain our relationship with such third parties, our business, results of operations and financial condition may be materially and adversely affected.

16. *If we are not able to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business it may have a material adverse effect on our business.*

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 Key Approvals*” beginning on page no. 151 of this Draft Prospectus. We are required to renew certain permits and approvals and obtain new permits if we increase the scope of our business.

In addition to the above, there are certain approvals and licenses which 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; here 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 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.

17. *We are dependent on third party transportation providers for delivery of our products to our clients. Any failure on part of such service providers to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.*

As a marketing and distribution company, our success depends on the smooth supply and transportation of our products from our warehouses to our clients which are subject to various uncertainties and risks. We currently rely upon third-party transportation providers for substantially all of our product distribution. Our utilization of delivery services for shipments is subject to risks, including increases in fuel prices, which would increase our delivery costs, and employee strikes and inclement weather, which may impact the ability of providers to provide delivery services that adequately meet our transportation needs. If we lose one or more of our transportation providers, we may not be able to obtain terms as favourable as those we receive from the third party transportation providers that we currently use, which in turn would increase our costs and thereby adversely affect our operating results. Further, our transportation providers do not carry any insurance coverage and therefore, any losses that may arise during the transportation process will have to be claimed under the Company’s existing insurance policy, if any. There can be no assurance that we will receive compensation for any such claims in a timely manner or at all, and consequently, any such loss may adversely affect our financial condition and results of operations.

18. *The products marketed and sold by our Company in relation to the ‘SKSS Club’ brand are vulnerable to counterfeiting or imitation by third parties that may affect the reputation of our Company.*

The products marketed and sold by us under the ‘SKSS Club’ brand are developed for the relevant season based on prevailing trends. Our Company ensures that these products are exclusively manufactured by contract manufacturers for our Company and they are not permitted to sell these products. We maintain a close check and control over each stage of the production process and conduct quality checks at every stage. However, our ‘SKSS Club’ brand of products are vulnerable to counterfeiting and imitation by third party vendors who may manufacture and sell products in the mass market at relatively cheaper prices. While we make constant checks in mass markets in an effort to prevent the sale of any counterfeit products of our ‘SKSS Club’ brand, there can be no assurance that we will be able to prevent sale of counterfeit products at all time. Any sale of counterfeit or imitation products which does not match the quality standards of our products will adversely impact our reputation. It will also materially affect our business, prospects, results of operations and financial conditions.



19. *We may not be able to adapt to changing market trends and customer requirements in the fashion accessories market in a timely manner, or at all.*

The market for fashion accessories in the country is highly competitive with several players present in various segments in brick and mortar stores and through third party e-commerce platforms. If we are unable to anticipate consumer preferences or industry changes, or if we are unable to modify our products and their prices on a timely basis, we may lose customers to our competitors (located in physical stores and on e-commerce platforms), or may be forced to reduce our sales realization on products by having to offer them at a discount, thereby reducing our margins. For instance, manufacturing for a season begins well in advance of the season and we may not be able to incorporate the prevalent trends, or accommodate any sudden emergence of a new trend that may be relevant to that season in the collection being released. If our competitors are able to cater to these markets, or if we are not able to anticipate the demand, or misjudge the quantity, inter alia, this could lead to lower sales, higher inventories and higher discounts, each of which could have a material adverse effect on our brand, reputation, results of operations and financial condition.

20. *Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations*

We may encounter problems in executing the orders in relation to our traded products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, even though we execute contracts with our customers (Master Distributors), the agreement could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business

In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

21. *If we are unable to accurately forecast customer demand for our products, we may not be able to maintain optimum inventory levels resulting in additional strain on our resources.*

We determine the quantities of our products manufactured for sales and distribution through our master distributors pursuant to management estimates based on historic trends and demand data and our internal forecasts provided to us by such authorized distributors, which is used to extrapolate expected future sales pattern.

However, our future earnings through the sale and distribution of our products may not be realized as forecasted, on account of cancellations or modifications of firm orders or our failure to accurately prepare demand forecasts. If we are unable to appropriately estimate the demand for our products for any reason, it could result in excess inventory levels or unavailability of our products during increased demand, resulting in below potential sales. For Fiscals ended March 31, 2016, March 31, 2015 and March 31, 2014, we maintained an inventory of finished goods of 12.92%, 4.79% and 0.00% of our gross revenue from operations, respectively.

Our ability to accurately forecast customer demand for our products is affected by various factors, including:

- a substantial increase or decrease in the demand for our products or for similar offerings of our competitors;
- aggressive pricing strategies employed by our competitors;
- failure to accurately forecast or changes in customer acceptance of our products;
- limited historical demand and sales data for our products in newer markets; and
- weakening of general economic conditions or customer confidence that could reduce the sale of our products.

Inventory levels in excess of customer demand may result in inventory write-downs or write-offs or we may be required to sell our excess inventory at discounted prices, which will adversely affect our gross margins and negatively impact our reputation and brand exclusivity. On the other hand, if we face demand in excess of our production, we may not be able to adequately respond to the demand for our products. This could result in delays



in delivery of our products to our customers and we may suffer damage to our reputation and customer relationships. Additionally, our customers may be driven to purchase products offered by our competitors. There can be no assurance that we will be able to manage our inventories at optimum levels to successfully respond to customer demand.

22. *Our success largely depends on our ability to attract and retain our Key Managerial Personnel. Any loss of our Key Managerial Personnel could adversely affect our business, operations and financial condition*

Our Company is depending significantly on the expertise, experience and continued efforts of our key managerial personnel. If one or more members of our Key Managerial Personnel are unable or unwilling to continue in his/her present position, it may be difficult to find a replacement, and business might thereby be adversely affected. Our industry requires personnel with specific technical knowledge and experience for our trading and more particularly our subsidiary's manufacturing business.

Competition for Key Managerial Personnel in our industry is intense and it is possible that our Company may not be able to retain existing Key Managerial Personnel or may fail to attract / retain new employees at equivalent positions in the future. As such, loss of Key Managerial Personnel could adversely affect our business, results of operations and financial condition. For further details on the key managerial personnel of our Company, please refer to the chapter titled "Our Management" beginning on page no. 86 of this Draft Prospectus.

23. *We do not own any of the key properties currently being used by our Company.*

All the premises used by our Company including our registered office situated at Unit 903, 9th floor, Trade World, C Wing, Kamala city, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra, and Building No. A-5, Unit No. 9 & 10, Babosa Industrial Park, Mumbai-Nashik Highway, Saravalli Village, Bhiwandi, Thane, Maharashtra are taken on leave and license basis. Upon the termination of these licenses, we are required to return the said premises to the respective licensors.

Further, certain of our leave and license agreements have not been registered or are not adequately stamped. If any of the owners of these premises revokes the arrangements under which we occupy the premises or imposes terms and conditions that are unfavourable to us, or if we are otherwise unable to occupy such premises, we may suffer a disruption in our operations or have to pay increased license fee, which could have an adverse effect on our business and financial results.

Further, the term of these agreements may or may not be renewed. In the event any of the licensors terminate or does not renew the license on commercially acceptable terms, or at all, we shall be required to vacate such premises. We may be required to identify alternative premises and enter into fresh lease or leave and licence agreements. Such a situation could result in loss of business and may adversely affect our operations and profitability.

24. *In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company*

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.



25. *Our results of operations are likely to vary from year to year and be unpredictable, which could cause the market price of the Equity Shares to decline.*

Our results of operations have historically varied from year to year due to various factors, and we expect that this trend will continue. You should not rely on our past financial results for any year as indicators of future performance. Our results of operations in any given year can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including:

- our ability to acquire and retain clients for our products;
- maintaining high levels of customer satisfaction;
- capital expenditure and other costs relating to our operations;
- adhering to our high quality and process execution standards;
- products or pricing policies introduced by our competitors;
- the timing and nature of, and expenses incurred in, our marketing efforts;
- recruiting, training and retaining sufficient skilled technical and management personnel;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems;

Also, please refer “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” on page no. 134 of this Draft Prospectus for details on the factors affecting our financial results. All of these factors, in combination or alone could negatively impact our revenues and may cause significant fluctuations in our results of operations. This variability and unpredictability could materially and adversely affect our results of operations and financial condition.

26. *Our Promoters have provided personal guarantees for our borrowings to secure our loans. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters in connection with our Company's borrowings.*

Our Promoters have provided personal guarantees for our borrowings to secure our loans. If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters in connection with our Company's borrowings.

27. *Our inability to manage growth could disrupt our business and reduce profitability*

A principal component of our strategy is to continuously grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

28. *We are required to incur substantial expenditure for our business operations and if we are not able to manage our financial requirements in the future, we may be required to obtain additional financing which may not be on terms commercially acceptable to us.*

We are required to incur substantial expenditure for conducting our business operations primarily in relation to making payments to our suppliers for the bulk quantities of men's fashion accessories and other textile products purchased by us for our business. Also, substantial expenditure is incurred for obtaining registrations for trading, storing, transportation, etc. The actual amount and timing of our future capital requirements may differ from estimated requirements as a result of, amongst other things, unforeseen delays in estimating demands and fashion trends, seeking or grant of registrations, or cost overruns while seeking registrations, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. If we are not able to manage our financial requirements from our internal accruals in the future, we may be required to seek additional debt or



equity financing. Additional debt financing could increase our interest costs and require us to comply with restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company, and could adversely impact the price of our Equity Share.

Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all which could adversely impact our planned capital expenditure and our business.

- 29. *Our Promoter plays a key role in our functioning and we heavily rely on his knowledge and experience in operating our business and therefore, it is critical for our business that our Promoter remains 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 Promoter and our success depends upon the continuing service of our Promoter who has been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Individual Promoter has 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 service of our Promoter. If our Promoter is unable or unwilling to continue in their present position, we may not be able to replace him 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 Promoter, 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.

- 30. *We do not own the “SKSS CLUB” trademark and logo. Our Trademark License Agreement may be terminated under certain circumstances. Further, we may be subject to claims alleging breach of third party intellectual property rights.***

We do not hold any trademarks or other forms of intellectual property protection in relation to our “SKSS CLUB” brand in our own name. One of our Group Entities, SKSS Bharosa Holding Private Limited, had made various applications to the Trade Marks Registry, Mumbai for registration of trademarks (in various classes), including “SKSS CLUB” (word and logo). Pursuant to a Trademark License Agreement dated October 13, 2016 entered into with SKSS Bharosa Private Limited we have been granted a non-exclusive, non-transferrable license to use the “SKSS CLUB” trademark in India. Being one of the Group Entities SKSS Bharosa Holding Private Limited has allowed our Company the use of said trademark during the period of the Trademark License Agreement without any consideration.

The Trademark License Agreement can be terminated by either of the parties thereto upon 30 days’ prior written notice in accordance with its terms. Furthermore, the Trademark License Agreement can also be terminated by the Licensor in case of breach of any of the terms of the said Trademark License Agreement by our Company. In the event that the Trademark License Agreement is terminated, we may have to discontinue the use of the “SKSS CLUB” trademark and logo which may materially and adversely affect our reputation, business, financial condition, results of operation and prospects.

Third parties may infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and any third party claim on any of our unprotected brands may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time-consuming and costly and a favorable outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. We cannot assure you that any unauthorized use by third parties of the trademarks will not similarly cause damage to our business prospects, reputation and goodwill.

For further details, see “Our Business — Intellectual Property” on page no. 76 of this Draft Prospectus.



31. 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	Face Value (₹)	Issue Price (₹)	Reasons
November 26, 2015	Mr. Surendra Hindu Singh Bhati	50,000	10	10	Further Allotment
	Ms. Sohan Kanwar	50,000			
	Mr. Hindu Singh	50,000			

For further details of the aforesaid allotment/s please refer “*Capital Structure*” on page no. 47 of this Draft Prospectus.

32. We have many group companies where our Promoters / Directors are actively involved

Our Company is part of a business conglomerate and our Promoters and Directors are also actively involved in various other group companies. Our Promoters may devote substantial time and resources to develop and grow the business of other group companies, which could result in lack of leadership in our Company and lead to negligence of business operations, quality and safety standards, customer and supplier relations and certain regulatory affairs. Though none of our group companies are involved in business similar to us, we cannot guarantee that our promoters will divide their time and energy between our group companies and us. Though our key managerial personnel are well experienced to carry out the business activities, lack of involvement of our Promoters could have an adverse effect on our goodwill and financial performance.

33. We are involved in high volume-low margin business. Any disruption in our turnover or failure to regularly grow the same may have a material adverse effect on our business, results of operations and financial condition.

Our inability to regularly grow our turnover and effectively execute our key business processes could lead to lower profitability and hence adversely affect our operating results, debt service capabilities and financial conditions. Due to the nature of the products we sell, we may not be able to charge higher margins on our products. Hence, our business model is heavily reliant on our ability to effectively grow our turnover and manage our key processes including but not limited to raw material procurement, timely sales / order execution and continuous cost control of non-core activities. The table below gives details of our operating margins and net profit margin based on restated financials.

(₹ in lakhs)

Particulars	For the Fiscal		
	2016	2015	2014
Total Income	3,723.24	2,303.01	916.27
PBT as a % of Total Income	2.75%	2.06%	2.00%
PAT as a % of Total Income	1.90%	1.42%	1.38%

Our growth strategy is subject to and involves risks and difficulties, many of which are beyond our control and, accordingly, there can be no assurance that we will be able to implement our strategy or growth plans, or complete them within the timelines. Further, we operate in a dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. For further details regarding the discussions and explanations for our past results, please refer “*Management’s Discussions and Analysis of Financial Condition and Results of Operations*” on page 134 of this Draft Prospectus.

34. If we suffer a large uninsured loss or if we suffer an insured loss that significantly exceeds our insurance coverage, our financial condition and results of operations may be adversely affected.

Our business, assets and stocks could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. While we believe that we maintain insurance coverage in amounts consistent with industry norms, our insurance policies do not cover all risks and are



subject to exclusions and deductibles. There can be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

Further, we are required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, we may face significant uninsured losses. If we suffer a large uninsured loss or if any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

35. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.*

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer “Objects of the Issue” on page no. 54 of this Draft Prospectus.

36. *Our Company's management will have flexibility in utilizing the Net Proceeds from the Issue. The deployment of the Net Proceeds from the Issue is not subject to any monitoring by any independent agency.*

Our Company intends to primarily use the Net Proceeds towards purchase of machinery and for general corporate purposes as described in “Objects of the Issue” on page no. 54 of this Draft Prospectus. In terms of Regulation 16 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹ 500 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section “Risk Factors”, may limit or delay our Company's efforts to use the Net Proceeds from the Issue to achieve profitable growth in its business.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders of our Company who do not agree to such proposal to vary the objects, in such manner as may be prescribed in future by the SEBI.

Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

37. *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.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates and have not been appraised by any bank, financial institution or any other external agency. Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, costs of commodities and interest/ exchange rate fluctuations which may not be within the control of our management. The deployment of the funds towards the objects of the Issue is entirely at the discretion of the Board and our Board will monitor the utilisation of Net Proceeds through its Audit Committee. Our Company will disclose the utilisation of the Net Proceeds under a separate head along with details in its balance sheet until the Net Proceeds remain unutilised, clearly specifying the purpose for which the Net



Proceeds have been utilised. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our operational and financial performance.

38. *We face foreign exchange risks that could adversely affect our results of operations.*

We face foreign exchange rate risk to the extent that certain of our revenues are denominated in a currency other than the Indian Rupee. Direct exports income, as a percentage of total income, for Fiscal 2016, 2015 and 2014 were approximately 14.34%, 0.00% and 0.00%, respectively. Because of our foreign currency exposures, exchange rate fluctuations between the Indian Rupee and foreign currencies, especially the U.S. dollar, can have a material impact on our results of operations, cash flows and financial condition. The exchange rate between the Indian Rupee and U.S. dollar has been volatile in recent periods and may continue to fluctuate in the future. Based on RBI data, the average Indian Rupee/U.S. dollar exchange rate for 2015, 2014 and 2013 was ₹ 61.15/dollar, ₹ 60.50/dollar and ₹ 54.45/dollar, respectively.

Fluctuations in the exchange rates may affect us to the extent of such orders being placed overseas. Our Company may enter into certain contracts to hedge exchange rate fluctuations which may or may not adequately cover the potential loss that may arise as a result of such foreign exchange transactions. Moreover, these hedges do not cover all such exposures and are in any event subject to their own risks, including counterparty credit risk. Adverse moves in exchange rates that we have not adequately hedged may adversely impact our profitability and financial condition.

RISK FACTORS RELATED TO EQUITY SHARES

39. *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.

40. *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 Issue 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 Issue, 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 Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue 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 fashion accessory companies generally;



- Performance of our competitors in the Indian fashion industry and the perception in the market about investments in the Steel sector;
- Significant developments in the regulation of the fashion 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.

41. *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.

42. *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, and that of our Subsidiary and the dividends they distribute to us. Our business is working capital intensive. 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

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

Any changes in government policies relating to the garment and fashion accessory industry such as reduction of government expenditure, withdrawal or changes in incentives and subsidy systems, or adverse changes in fabric prices and/or minimum support prices could have an adverse effect on the ability of consumers to spend on fashion products.

Our ability to freely set prices for fashion accessories may be restricted by the government and our profits may reduce. End users of our fashion accessories may seek to find ways to reduce or contain related costs. We currently sell fashion accessory products like caps, wallets, belts, handkerchief and socks in the State of Maharashtra, Gujarat, Rajasthan and Haryana and Delhi. 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 our suppliers and contract manufacturers to undertake the fashion accessory production, their concentration in this area may reduce which could affect our supply chain. Also, if textile related legislation or third party payer influence results in lower prices for our products, our overall revenues may decrease and our cash flows and profits could be adversely affected even in cases where the demand for our products increases.

44. *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.

45. *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. 79 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 effect on our business, financial condition and results of operations.

46. *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.

47. *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.

48. *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.

49. *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.

50. *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.

51. *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. 8 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. 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.
2. The Net Worth of our Company is ₹ 262.99 lakhs and the book value of each Equity Share was ₹ 17.53 as of March 31, 2016 as per our Restated Financial Statements. For more information, please refer the Section titled “*Financial Information*” beginning on page no. 116 of this Draft Prospectus.
3. Public Issue of 11,60,000 Equity Shares for cash at price of ₹ 35 per share including a premium of ₹ 25 aggregating to ₹ 406.00 lakhs. The Issue will constitute 31.69% of the post-Issue paid-up Equity Share capital of our Company.
4. The average cost of acquisition of Equity Shares by our Promoters is.

Promoter	Average cost (₹)
Mr. Surendra Singh Bhati	29.22
SKSS Services Limited	10.00

5. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page no. 59 of this Draft Prospectus.
6. The details of transactions by our Company with our Group Companies or subsidiary during the last year are disclosed under “*Annexure XXIII - Related Party Transactions*” on page no. 130 of this Draft Prospectus.
7. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Draft Prospectus.
8. Our Company was incorporated as Sai Kripa Markserve Private Limited on February 28, 2011 under the Companies Act, 1956, with the Registrar of Companies, Mumbai bearing Registration Number - 072892. Thereafter, the name of our Company was changed to SKSS Lifestyle Club Private Limited pursuant to a fresh certificate of incorporation consequent upon change of name dated December 26, 2013 issued by the Registrar of Companies, Mumbai. Subsequently, our Company became a public limited company and the name of our Company was changed to SKSS Lifestyle Club Limited in February 12, 2016. A fresh certificate of incorporation was issued by the Registrar of Companies, Mumbai. In March, 2016, name of our Company was altered to “*SKSS Lifestyle Limited*” for which a fresh certificate of incorporation was issued by the Registrar of Companies, Mumbai.



SECTION III: INTRODUCTION

SUMMARY OF OUR INDUSTRY

Men's Fashion Accessories Industry

Indian Scenario

The fashion accessory is a separate market in itself, bringing in considerable amounts of capital and increasing its contribution to the fashion industry year by year. The fashion accessories market of India was observed at US\$ 3.4 billion in 2014 and is estimated to grow at CAGR of 12 percent to reach US\$ 10.6 billion by 2024. Unorganised players dominate this market, and the share of organised retail stands at a mere 16 percent for bags, belts and wallets and 45 percent for watches.

There was a time when fashion items were being purchased as and when required. Now-a-days, fashion clothing is more than a basic need; it is a reflection of aspiration, personality, and one of the biggest status symbols. The Indian fashion consumers can tell the difference between unbranded and branded apparel. They are able to decode the messages communicated by different brands on different occasions. The aspirational youth is also influenced by peer groups working with multinational companies and having international exposure. Though basic textiles and footwear continue to be a part of the consumer's basket, the demand for aspirational fashion clothing and fashion accessories has increased substantially in recent years.

Although the fashion consumer is willing to spend more on clothing and accessories of choice, the consciousness of value received for the money spent has increased manifold. The weak economic outlook and higher inflation rates have also contributed to this heightened value consciousness. There is a distinct differentiation between pre-2008 and post-2008 India. Even while long-term faith in the growth and consumption story of India stays intact, the short-term scenario appears bleak. The fear of job loss, stagnation of personal income, increased spending on food, etc. have a profound impact on the purchasing behavior of consumers. The consumer is inclined towards value and affordability, but, at the same time, there is an inherent need for a fashionable look.

(Source: <http://www.indiaretailing.com/>)

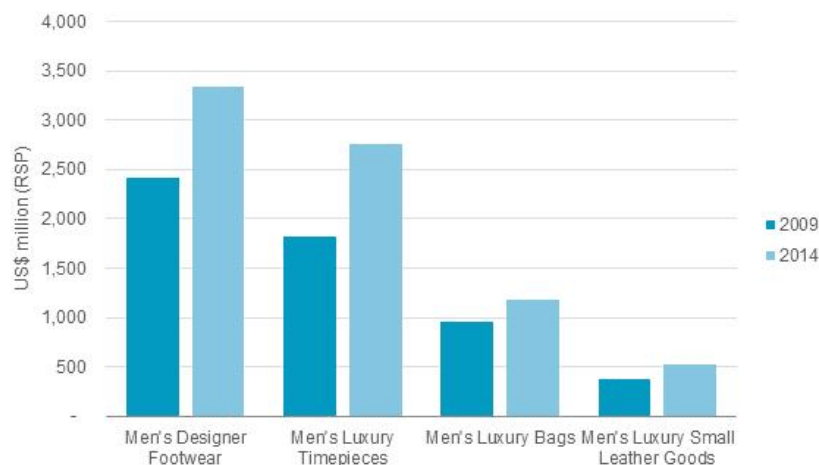
Size and growth of the market

The conception of fashion accessories like most things can be traced down to arise from need-based situations which have now gradually evolved to attain a more want-based significance, adding more value to the overall look instead of just the functionality of an attire. The Indian consumer is now conscious about his/her personality and selects such fashion products as might suit his/her personality the best. The Indian fashion consumer is undergoing an evolution and is rapidly adapting to international fashion statements. Increasing disposable incomes, exposure to international events and fashion icons, and rising confidence levels are driving the changes in the consumer purchase behavior.

The market for fashion accessories in India is thriving and is expected to occupy bigger shares in the coming years. One major reason for this promise of growth is the unique quality of accessories of accentuating the overall look of attires. Right accessorising provides multiple options to alter styles through mix-n-match and repeat outfits with a renewed look, all at economical prices. The fashion accessories market of India was observed at US\$ 3.4 billion in 2014 and is estimated to grow at CAGR of 12% to reach US\$ 10.6 billion by 2024. Unorganised players dominate this market, and the share of organised retail stands at a mere 16% for bags, belts and wallets and 45% for watches.

Indian consumers are increasingly accepting modern, contemporary fashion accessories as a vital part of their overall outfit choices, which in turn is facilitating the entry of new domestic and international players into the market. Although still a fledgling market, the category of fashion accessories is expected to experience various innovations to become much more dynamic and organised than it is today. In the context of this article, the sub-categories of bags, belts, wallets and watches have been considered as the primary accessory items.

The size of the market for watches and belts, bags, wallets has been observed to increase by a ratio of 2:1 from the years 2014 to 2019. Though the same ratio may not be registered for the second half of the decade, they definitely shall continue to move towards a higher market share and a more organised structure.



(Source: blog.euromonitor.com)

Growth Drivers

Both demand and supply side factors have provided impetus to the growth of the fashion accessories market in India. These are discussed hereunder.

Demand Side Factors

1. Positive economic outlook and rising discretionary incomes

India's economic growth has attracted considerable attention from the developed world. India despite its share of economic instability and fluctuations still remains the most potential market after China. With China's economy graduating towards saturation, India is being touted as the next big thing. As a result of India's surging economic situation, the per capita incomes are also experiencing an upward trend leading to higher discretionary incomes at the hands of the consumers.

2. Growing eve power

Evolving social scenarios along with the said positive economic development in the country has brought about much-needed and welcome change in how women are viewed in the country. Percentage of parents preferring the girl child and the number of females opting for higher education and subsequently joining the skilled labour force have increased manifold. This growing 'eve-power' is responsible for augmenting growth in the fashion accessories segment as accessories are predominantly made for and purchased or used by women folk.

3. The demographic advantage

India is one of the youngest nations of the world. Currently standing at 27 years (2015), it is assumed that by the year 2020, India's median age would be 29 years. India's youth is better poised today to attain higher levels of education and subsequently join the skilled workforce, thereby affecting the country's demand and supply and investment, and expenditure. These healthy injections and leakages of capital are fuelling further growth in the economy. The fashion accessories market too enjoying the benefits of India's young population.

Supply Side Factors

1. Corporatization of Indian fashion retail

More aware consumers, rising economic reliability and entry of international players in the industry are causing the market to become more organised and structured. The share of corporatisation in retail, especially in the fashion industry has made a lot of things much easier, leading to higher standards of distribution and marketing and improved levels of quality, product designs and services offered. Visual-merchandising is one important tool employed by retailers to entice consumers of today towards fashion accessories.

2. Acceptance of domestic brands

The desire to look fashionable whilst incurring lowest possible costs has made the consumer base of today incredibly flexible. Both branded and unbranded markets and domestic and international players or brands are catering to the fashion-conscious consumers. This trend has developed into the appearance and acceptance of several domestic brands in the segment which too are doing good business.

3. Customization of products

In an economically and culturally diverse country like India, customization plays a very important role. In spite of the ongoing trend of homogenization of tastes which is occurring as a by-product of this age, India is still defined by the heterogeneity of its consumer base. With this understanding, brands and retailers have started focusing on customization of products to suit the tastes and needs of the different consumer segments and regions. Choices vary across price segments and geographical regions.

(Source: <http://www.indiaretailing.com/2015/10/23/fashion/fashion-accessories-market-in-india/>)

Future of accessories market

The various ongoing developments in the fashion retail industry reflect the optimism of the market and indicate immense potential for growth and innovation. Due the impact of global fashion trends and blurring lines between well-defined styles for men and women, accessories are no longer just limited to women. Indian men too have embraced world fashion and have begun to wear more colorful clothes and prints in different styles, and have started demonstrating higher fashion-consciousness and awareness. The areas of high growth potential for the accessories market are tier -I and -II cities for women's accessories and eventually the smaller towns. The category of men's accessories needs to be propagated and accepted in semi-urban areas and players in urban areas need to expand and diversify their products and their reach.

Since the average per capita income of the country is expected to continue rising in the coming years, the middle-class is expected to become more elaborate and diversified, with different levels of income-groups. Besides this, the rich contingent is of the nation is estimated to experience a boon as well. Owing to these developments, the luxury end of Indian fashion accessories market is expected to grow at a higher rate than other segments as the affluent consumer group will increasingly consider fashion accessories as a means to reaffirm its identity and to distinguish itself from the masses.

In conclusion, the ability of players to reinvent their product offering and attract consumers through innovation, superior design and style shall determine their success in this category and also the future of the fashion accessories market.

(Source: <http://www.indiaretailing.com/2015/10/23/fashion/fashion-accessories-market-in-india/>)

SUMMARY OF BUSINESS

OVERVIEW

About the Group

The SKSS Group was promoted by Mr. Surendra Hindu Singh Bhati in 2006 in Jaisalmer, Rajasthan and since then the group has met many milestones at a rapid pace. An aggressive approach has enabled the group to have a presence in various growing sectors such as infrastructure, financial services, power, media, textiles, men's fashion accessories, fashion retail, Import / Export and Hospitality.

SKSS Group currently has its presence in Mumbai, Maharashtra and Jaipur, Rajasthan.

The industries served by SKSS Group are shown in the diagram below:



About the Company

Our Company represents the retail fashion and accessories foray of the group. Our company is engaged in the distribution and marketing of textiles and men's fashion products and accessories.

Currently our product range includes caps, belts, wallets, handkerchiefs and socks. Our products are currently being sold in five states namely, Rajasthan, Gujarat, Maharashtra, Haryana and Delhi and we propose to increase our geographic reach throughout India and abroad.



Our products are sold through our own brand and we also engage in B2B sales and trading of other textile products, which comprises of sale of non-branded products.

Our distribution is carried through our master distributors with whom the company has entered into a master distributorship agreement for the distribution of its products in each of the five states namely, Maharashtra, Gujarat, Rajasthan, Haryana and Delhi. The company entered into its first master distribution agreement in the year 2014 for marketing and distribution of its products in the states of Delhi and Haryana and gradually spread to Maharashtra, Gujarat and Rajasthan by the year 2015, by entering into further three master distribution agreements. Further we are also registered vendors and our products are also available on various e-commerce portals such as Snapdeal and Flipkart.

We have recently forayed into direct retail sales making our products available at our own branded retail kiosks / shops located at Pinnacle Mall, Nashik, and we process to further expand on this module adding other such point of sales in similar foot-print based locations. Our company also exports fabric and other textile products/ material to Dubai and Hongkong. We propose to increase our overseas textile trading and take advantage of string working capital capabilities post this issue.



Since the products being marketed and distributed by our Company comprises of caps, belts, wallets, handkerchief and socks which are used daily by all age groups our company aims to target the school and college going youth as well as the adults.

We operate through our offices located at 903, 9th floor, Kamla Mill Compound, Senapati Bapat Marg, Lower Parel, C-Wing, Trade World Kamla City, Greater Mumbai- 400013, and 21, Knaya Bas, Balsamand, Mandore Road, Jodhpur, Rajasthan -342001.

Our revenues have increased from ₹ 916.27 lakhs in F. Y. 2013-2014 to ₹ 2,285.92 lakhs in F. Y. 2014-15 and further to ₹ 3,682.37 lakhs in F. Y. 2015-16, showing an increase of 149.48% and 61.09% in F.Y. 2014-15 and 2015-16 respectively. Our EBITDA has increased from ₹ 18.39 lakhs in FY 2013-14 to ₹ 48.62 lakhs in FY 2014-15 and further to ₹ 107.86 lakhs in F. Y. 2015-16. Net Profit after tax for the above mentioned periods are ₹12.67 lakhs, ₹ 32.77 lakhs and ₹ 70.71 lakhs, respectively.

OUR COMPETITIVE STRENGTHS

- ***Experienced Promoter and competent management team***

Our Promoter is engaged in business activities for one decade and has a proven background and rich experience in conducting various business activities. Our Promoter Mr. Surendra Hindu Singh Bhati started his career in men's fashion accessories industry in the year 2011; for further details of our Promoter's experience and background, please refer the chapter titled "*Our Promoters and Promoter Group*" on page no. 99 of this Draft Prospectus. Our Company is managed by a team of experienced professionals exclusively focused on different aspects of our business operations. It allows us to deliver end to end solution and effectively addressing customer product requirements. We believe that our management team's experience and their understanding of fashion accessories business will enable us to continue to take advantage of both current and future market opportunities.

- ***Established Distribution Model***

Our company has currently entered into four (4) master distribution agreements for distribution of its products in the states of Gujarat, Maharashtra, Rajasthan, Haryana and Delhi respectively. Our company does not sell the products directly to the consumers; instead they are sold to the master distributors who further have over thirty (30) distributors for distribution of the products to various stores throughout the states. Our company believes that these master distributorship agreements shall help the company to increase its area of coverage and also increase brand recognition at lowest possible cost. By entering into the master distributorship agreement the company not only intends to cater the needs of the tier 1 cities but also meet the needs of the tier 2 and tier 3 cities of the country.

- ***Established Procurement Model***

Our company is not engaged in manufacture of any products in which it deals and its activities are restricted to marketing and distribution of its products. Our company obtains samples of the products in which it deals from the local traders and on meeting the desired quality and specification order is placed to the traders. As far as the branded products are concerned the company does not manufacture the same, instead the company gets its logo embedded/ embossed on the same through the traders from which it procures the products. Our company believes that the above procurement model shall help the company to procure the products in a timely manner and serve its customers better by meeting their demands on time. Further by not having manufacturing facilities our company has been able to cut down on manufacturing cost and at the same time maintain the quality of its products.

- ***Unique Product range and Price point***

Our company offers a diverse range of products which includes caps, socks, belts, wallets, handkerchief and fabric other textile products. Our company believes that men's fashion wear has a lot of scope and there are very few Indian brands which are solely dedicated to men's fashion wear and accessories. Being an Indian brand our prices tend to be comparatively lower than various foreign brands which currently dominate the men's fashion wear and accessories market in the country. Our company believes that by adopting a lower pricing strategy the company can penetrate the markets and be known as a household brand.

OUR STRATEGY

- **Expansion of product range**

One of the key ways in which our company plans to grow its revenue is by expanding its product range to cover a higher profit margin products and fast moving items.



- **Further innovation of the distribution model**

Currently there are 4 (four) master distributors, servicing each of the five states where we have marketing presence, hence having indirect access to around 30 (thirty) distributors. Our company plans to have 1 (one) master distributor in every state, with an average of 10 (ten) distributors in 22 states, catering to 1000 points-of-sale each. This would mean 22 (twenty two) master distributors, 220 distributors and 2, 20,000 'point-of-sale' stores serviced. Further the smaller states would be handled directly by master distributors, who will handle 300 points-of-sale respectively, spanning approximately 21,000 stores. Our company expects to reach the above network by FY 2018.

- **Increase in e-commerce sales**

Our company already sells its products on popular e-commerce websites such as Snapdeal and Flipkart and plans to expand coverage to other popular sites such as Jabong, Amazon, eBay etc. Eventually, our company plans to have its presence on all the major e-commerce sites and online marketplaces by FY 2017.

50% of ecommerce sales will be fresh stock whereas 50% will be for liquidation of slow-moving inventory from the offline channels, during discount season. However, on blended basis, ecommerce sales through third-party vendors / marketplaces are expected to have similar margin as offline sales.

Our company also plans to launch its own ecommerce site in FY17 and a significant portion of sales is expected to be through this channel, once the product basket is widened.

- **Improving presence in organised channels**

While currently SKSS sells only in 'mom and pop' stores, once the brand is more established, it plans to expand presence to organized chains in the multi-brand outlet (MBO) format through the Shop-in-Shop (SIS) format, such as Big Bazaar, Shoppers Stop and such other formats. Although margin and credit terms could be less favorable, the presence in organized chains is expected to boost brand awareness and overall brand image. Sales from organized chains are expected to account for 10% of revenues by FY18 and 15% by FY19.



As the product range is currently limited, the brand is restricted to 'mom and pop' stores; however, once the complete product range is rolled out by FY17, there is a plan to setup EBOs under the name 'SKSS Club' as well. initially 5-7 EBOs will be setup as 'Company Owned Company Operated' (COCO) stores in top selling cities for the brand such as Mumbai, Ahemdabad, Thane, Delhi, Jaipur etc and thereafter, franchisees will be appointed in smaller towns such as Nagpur, Jodhpur, Baroda, Surat etc . Sales from EBOs is expected to account for 5.4% of revenues by FY18 and 6.2% by FY19; growth almost entirely driven by franchising.



SUMMARY OF FINANCIAL INFORMATION

Annexure I STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
EQUITY AND LIABILITIES						
Shareholder's fund						
a) Equity Share Capital	185.00	150.00	135.00	10.00	10.00	10.00
b) Reserves and surplus	218.35	112.98	45.70	12.93	0.26	0.13
Total Shareholders Fund (Net of revaluation reserve)	403.35	262.98	180.70	22.93	10.26	10.13
Non-current liabilities						
a) Long Term Borrowings	390.98	337.67	-	-	-	-
b) Deferred Tax Liabilities	2.03	1.89	-	-	-	-
Total	393.01	339.56	-	-	-	-
Current liabilities						
a) Short-term borrowings	479.91	482.64	32.75	94.63	0.36	0.30
b) Trade payables	1,139.05	301.72	718.32	882.21	-	-
c) Other Current Liabilities	39.93	43.23	-	-	-	-
c) Short-term provisions	51.69	34.67	32.98	14.97	0.28	0.12
Total	1,710.59	862.25	784.05	991.81	0.65	0.42
TOTAL	2,506.95	1,464.79	964.75	1,014.74	10.91	10.56
ASSETS						
Non - Current Assets						
a) Fixed Assets						
i.) Tangible assets	85.16	84.41	11.79	0.71	-	-
ii) Intangible assets	0.41	-	-	-	-	-
Gross Block	85.57	84.41	11.79	0.71	-	-
Less Depreciation	6.22	3.50	1.25	0.05	-	-
Net Block	79.35	80.91	10.55	0.66	-	-
b) Non- Current Investments	0.15	0.15	-	-	-	-
c) Long term Loans & Advances	13.20	13.20	-	-	10.00	10.00
d) Other Non-Current Assets	5.82	4.19	-	-	-	0.16
Total	98.51	98.44	10.55	0.66	10.00	10.16
Current Assets						
a) Inventories	487.12	475.63	109.60	-	-	-
b) Trade Receivables	1,911.95	882.59	828.80	999.82	-	-
c) Cash and Cash equivalents	5.08	5.88	7.72	1.37	0.85	0.39
d) Short-term loans and advances		-	8.09	12.89	-	-
e) Other current assets	4.28	2.24	-	-	0.06	-
Total	2,408.43	1,366.35	954.21	1,014.08	0.91	0.39
TOTAL	2,506.95	1,464.79	964.75	1,014.74	10.91	10.56



Annexure II
STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
INCOME:						
Revenue from Operations(Net)	1,174.32	3,682.37	2,285.92	916.27	1.02	0.45
Other Income	0.00	40.87	17.10	-	-	-
Total income	1,174.32	3,723.24	2,303.01	916.27	1.02	0.45
EXPENSES:						
Purchase of stock-in-trade	1,105.41	3,892.87	2,324.27	856.16	-	-
Changes in inventories of finished goods	(11.49)	(366.03)	(109.60)	-	-	-
Employee benefits expense	12.15	32.26	20.39	9.53	0.39	-
Finance cost	14.71	2.83	-	-	-	0.01
Depreciation and amortization expense	2.72	2.69	1.19	0.05	-	-
Administration and other expenses	14.11	56.28	19.33	32.18	0.23	0.25
Total expenses	1,137.61	3,620.89	2,255.59	897.93	0.62	0.26
Net Profit / (Loss) before Tax	36.71	102.35	47.43	18.33	0.40	0.19
Less: Tax expense						
Current tax	11.20	29.75	14.65	5.67	0.15	0.06
Deferred tax	0.14	1.89	-	-	-	-
Total Tax Expense	11.34	31.64	14.65	5.67	0.15	0.06
Net Profit / (Loss) after tax	25.37	70.71	32.77	12.67	0.25	0.13



Annexure III
CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Cash Flow From Operating Activities						
Net Profit Before Tax	36.71	102.35	47.43	18.33	0.40	0.20
Adjustments for :						
Depreciation/Amortisation	2.72	2.69	1.19	0.05	-	-
Finance Cost	14.71	2.83	-	-	-	0.01
Operating Profit Before Working Capital Changes	54.14	110.69	48.62	18.39	0.40	0.20
Adjusted for (Increase)/ Decrease:						
Trade Receivables	(1,029.36)	(53.79)	171.02	(999.82)	-	-
Inventories	(11.49)	(366.03)	(109.60)	-	-	-
Short Term Loans and Advances	-	8.09	4.80	(12.89)	-	-
Other Current Assets	(2.03)	(2.24)	-	0.06	(0.06)	-
Trade Payables	873.33	(419.43)	(163.88)	882.21	-	-
Other Current Liabilities	(3.29)	43.23	-	-	-	-
Short Term Provisions	5.82	(11.40)	3.35	9.02	0.02	0.06
Cash Flow Generated from Operations	(148.88)	(690.89)	(45.70)	(103.03)	0.36	0.26
Less: Direct Tax paid	-	20.53	-	-	-	-
Net Cash flow from/(used in) Operating Activities (A)	(148.88)	(711.42)	(45.70)	(103.03)	0.36	0.26
Cash Flow From Investing Activities						
Purchase of Fixed Assets	(1.16)	(71.61)	(11.08)	(0.71)	-	-
Investment in Shares	-	(0.15)	-	-	-	-
Net Cash Flow from Investing Activities (B)	(1.16)	(72.76)	(11.08)	(0.71)	-	-
Cash Flow From Financing Activities						
Proceeds From Share Capital	35.00	15.00	125.00	-	-	9.00
Proceeds From Securities Premium	80.00	-	-	-	-	-
Increase/(Decrease) of Long Term Borrowing	53.31	337.67	-	-	-	-
Increase/(Decrease) of Short Term Borrowing	(2.73)	449.89	(61.88)	94.27	(0.06)	-
Increase/ (Decrease) of Long Term Loans & Advances	-	(13.20)	-	10.00	-	(9.00)
(Increase) / Decrease in Non Current Assets	(1.63)	(4.19)	-	-	0.16	0.04
Finance Cost	(14.71)	(2.83)	-	-	-	(0.01)
Net Cash Flow from Financing Activities (C)	149.24	782.34	63.12	104.27	0.10	0.03
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	(0.80)	(1.83)	6.34	0.52	0.46	0.29
Cash & Cash equivalent at the beginning of the year	5.88	7.72	1.37	0.85	0.39	0.10
Cash & Cash Equivalent at the end of the year	5.08	5.88	7.72	1.37	0.85	0.39



THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

Equity Shares ⁽¹⁾ : Present Issue of Equity Shares by our Company ⁽²⁾	11,60,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 35 per share aggregating ₹ 406.00 lakhs.
Which comprises:	
Issue Reserved for the Market Makers	64,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 35 per share aggregating ₹ 22.40 lakhs
Net Issue to the Public	10,96,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 35 per share aggregating ₹ 383.60 lakhs
	Of Which:
	5,48,000 Equity Shares of ₹ 10/- each at a price of ₹ 35 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	5,48,000 Equity Shares of ₹ 10/- each at a price of ₹ 35 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
Equity Shares outstanding prior to the Issue	25,00,000 Equity Shares
Equity Shares outstanding after the Issue	36,60,000 Equity Shares
Objects of the Issue	Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 54 of this Draft Prospectus

⁽¹⁾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.164 of this Draft Prospectus.

⁽²⁾The present issue has been authorized pursuant to a resolution of our Board dated July 11, 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 July13, 2016.



GENERAL INFORMATION

Our Company was incorporated as Sai Kripa Markserve Private Limited on February 28, 2011 under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration No. 214128. The name of the Company was subsequently changed to SKSS Lifestyle Club Pvt. Ltd. vide special resolution dated September 27, 2013. Later vide special resolution dated December 21, 2015 the status of our Company was changed to a public limited company and Companies Act, 2013 was also adopted. A fresh Certificate of Incorporation consequent upon change of name to SKSS Lifestyle Limited was issued on March 16, 2016 by the Registrar of Companies, Mumbai. The Company's Corporate Identity Number is U74110MH2011PLC214128.

For further details, please refer to the chapter titled "History and Certain Corporate Affairs" beginning on page no. 83 of this Draft Prospectus.

Brief Company and Issue Information

Registered Office	Address: 903, 9 th Floor, Trade World, C-Wing, Kamala City, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400 013 Tel No: +91 – 22 – 6560 1540 Email: info@skssclub.com Website: www.skssclub.com
Date of Incorporation	February 28, 2011
Company Registration No.	214128
Company Identification No.	U74110MH2011PLC214128
Address of Registrar of Companies	Everest, 100, Marine Drive, Mumbai – 400 002. Tel No.: +91 –22 – 2281 7259 / 2281 1493 Fax No.: +91 – 22 – 2281 2389
Designated Stock Exchange	SME Platform of NSE
Company Secretary & Compliance Officer	Ms. Neha R. Borkar Address: 903, 9 th Floor, Trade World, C-Wing, Kamala City, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400 013 Tel No: +91 – 22 – 40021540/40061540 Email: cs@skssclub.com Website: www.skssclub.com

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. Surendra Hindu Singh Bhati	Chairman & Managing Director	02994392
Mr. Ravindrapal Singh Leelawat	Whole Time Director	05280034
Mr. Lalit Sharma	Non-Executive Non-Independent Director	03338162
Mr. Nirbhay Jani	Non-Executive Independent Director	07195425
Ms. Tanvi Amar	Non-Executive Independent Director	07597064

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled "Our Management" beginning on page no. 86 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 unblocking of funds. All grievances relating to the Application 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 blocked on application and designated branch or the collection centre of the SCSB where the Application Form was submitted by the Applicants.

Details of Key Intermediaries pertaining to this Issue and Our Company

LEAD MANAGER



ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg, Opp. P.J. Tower (NSE Bldg.),
Fort, Mumbai – 400 001
Tel. No.: +91 – 22 – 6216 6999
Fax No.: +91 – 22 – 2263 0434
Website: www.afsl.co.in
Email: ipo@afsl.co.in
Investor Grievance Email: feedback@afsl.co.in
Contact Person: Mr. Shreyas Shah / Mr. Karanjyot Singh Sethi
SEBI Registration No.: INM000011344

REGISTRAR TO THE ISSUE



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.: INR000001385

LEGAL COUNSEL TO THE ISSUE

JPS Legal

504, Gold Crest Business Centre,
Above Westside, L.T. Road,
Borivali (West), Mumbai- 400092.
Maharashtra, India.
Tel No.: +91 – 22 – 2893 7321
Fax No.: +91 – 22 – 2893 7321
Contact Person: Mr. Jimit Shah
Email: jimit.shah@jpslegal.co.in

STATUTORY AUDITOR OF THE COMPANY

M/s. Jagiwala And Associates

Shanti Bhuvan, 28-C, Vallabhbhai Road,
Vile Parle (W), Mumbai – 400056,
Tel No.: +91 – 22 – 26143204
Fax No.: +91 – 22 – 26120240
Email: nilesh.jagiwala@gmail.com
Contact Person: Mr. Nilesh Jagiwala
Email: nilesh.jagiwala@gmail.com

PEER REVIEW AUDITOR OF THE COMPANY

M/s. V.N. Purohit & Co.

214, New Delhi House, 27,
Barakhamba Road, New Delhi – 110001.
Tel No.: +91 – 22 – 26143204
Fax No.: +91 – 22 – 26120240
Email: vnpdelhi@vnpaudit.com
Contact Person: CA. O.P. Pareek
Email: vnpdelhi@vnpaudit.com



BANKERS TO OUR COMPANY

[•]

BANKERS TO THE ISSUE

[•] (To be appointed later)

SELF CERTIFIED SYNDICATE BANKS

The lists 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.

BROKERS TO THIS ISSUE

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange (NSE SME Platform) www.nseindia.com, as updated from time to time.

REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange(NSE SME Platform) www.nseindia.com, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange (NSE SME Platform) www.nseindia.com, as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

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 ₹ 50,000 lakhs and hence 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 Equity Shares, credit rating is not required.

EXPERT OPINION

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

Our Company has received written consent from the Statutory Auditor namely, M/s. Jagiwala And Associates., Chartered Accountants and from the Peer Review Auditor, M/s. V.N. Purohit & Co., Chartered Accountants to include their name in respect of the report on the Restated Financial Statements dated November 09, 2016 and the Statement of Tax Benefits dated October 20, 2016, issued by them and included in this Draft Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

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 Allotment / Refunds / Unblocking of Funds	[●]
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 between **10.00 a.m. and 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 5.00 p.m. (IST) on



the Issue Closing Date. All times mentioned in this 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 or electronic Application Form, for a particular Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

UNDERWRITING

This Issue is 100% Underwritten. The Underwriting agreement is dated September 20, 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	Amt 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 (NSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 6216 6999 Fax No.: +91 – 22 – 2263 0434 Email: ipo@afsl.co.in	10,96,000	383.60	94.48%
Aryaman Capital Markets Ltd. 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (NSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 2261 8264 / 8635/ 6216 6999 Fax No.: +91 – 22 – 2263 0434 Email: aryacapm@gmail.com	64,000	22.40	5.52%
Total	11,60,000	406.00	100.00%

As per Regulation 106 P (2) of SEBI (ICDR) Regulations, 2009, the Lead Manager 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



ARYAMAN CAPITAL MARKETS LIMITED

60, Khatau Building, Gr. Floor,
 Alkesh Dinesh Modi Marg, Opp. P. J. Tower (NSE Bldg.),
 Fort, Mumbai – 400 001
 Tel. No.: +91 – 22 – 2261 8635
 Fax No.: +91 – 22 – 2263 0434
 Email: aryacapm@gmail.com
 Contact Person: Mr. Harshad Dhanawade
 SEBI Registration No.: INZ000004739



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 September 20, 2016 with Aryaman Capital Markets Ltd., a Stock Broker registered with NSE in order to fulfil the obligations of Market Making.

The Market Maker shall fulfil 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 NSE 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 Issue 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 NSE 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. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on NSE SME Platform and Market Maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
7. 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.
8. 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 particulars 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.

9. **Risk containment measures and monitoring for Market Maker:** NSE Emerge will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.



-
10. **Punitive Action in case of default by Market Maker:** NSE Emerge will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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		
	40,00,000 Equity Shares of face value of ₹10 each	400.00	-
B	Issued, Subscribed and Paid-up Share Capital before the Issue		
	25,00,000 Equity Shares of face value of ₹10 each	250.00	-
C	Present Issue in terms of this Draft Prospectus⁽¹⁾		
	Issue of 11,60,000 Equity Shares of ₹ 10 each at a price of ₹ 35 per equity Share	116.00	406.00
	<i>Which comprises:</i>		
	64,000 Equity Shares of ₹ 10 each at a price of ₹ 35 per Equity Share reserved as Market Maker Portion	6.40	22.40
	Net Issue to Public of 10,96,000 Equity Shares of ₹ 10 each at a price of ₹35 per Equity Share to the Public	109.60	383.60
	<i>Of which:</i>		
	5,48,000 Equity Shares of ₹ 10 each at a price of ₹ 35 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	54.80	191.80
	5,48,000 Equity Shares of ₹ 10 each at a price of ₹ 35 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	54.80	191.80
D	Equity Share Capital after the Issue		
	36,60,000 Equity Shares of ₹10 each	366.00	
E	Securities Premium Account		
	Before the Issue (as on date of this Draft Prospectus)	250.00	
	After the Issue	540.00	

⁽¹⁾ The present Issue has been authorized pursuant to a resolution of our Board dated July 11, 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 July 13, 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:

- The initial authorised share capital of ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each was increased to ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on February 01, 2012.
- The authorised share capital of ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each was increased to ₹ 1,50,00,000 divided into 15,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on March 12, 2015.
- The authorised share capital of ₹ 1,50,00,000 divided into 15,00,000 Equity Shares of ₹ 10 each was increased to ₹ 4,00,00,000 divided into 40,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on February 23, 2016.



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 (₹)
Upon Incorporation	10,000	10	10	Subscription to MoA	Cash	10,000	1,00,000	Nil
March 28, 2012	90,000	10	10	Further Allotment	Cash	1,00,000	10,00,000	Nil
March 16, 2015	12,50,000	10	10	Further Allotment ⁽¹⁾	Cash	13,50,000	1,35,00,000	Nil
November 26, 2015	1,50,000	10	10	Further Allotment ⁽²⁾	Cash	15,00,000	1,50,00,000	Nil
April 02, 2016	10,00,000	10	35	Further Allotment ⁽³⁾	Cash	25,00,000	2,50,00,000	2,50,00,000

⁽¹⁾Pursuant to EGM held on February 23, 2015, our Company has issued 12,50,000 shares against outstanding unsecured loan on Rights basis issued at a ratio of 2:25 i.e. 2 Equity Shares for every 25 Equity Shares held.

⁽²⁾Pursuant to EGM held on October 28, 2015, our Company has issued 1,50,000 shares against outstanding unsecured loan on Rights basis issued at a ratio of 9:1 i.e. 9 Equity Shares for every 1 Equity Shares held.

⁽³⁾Pursuant to EGM held on March 14, 2016, our Company has issued 10,00,000 shares against outstanding unsecured loan and fresh application money on Right issue basis issued at a ratio of 2:3 i.e. 2 Equity Shares for every 3 Equity Shares held. These shares were originally issued as partly paid up at ₹ 11.50/- per share including ₹ 8.50/- for share premium against the unsecured loan. The part payments against the shares were received between April to August 2016 and shares were made fully paid up vide board Resolution dated August 13, 2016.

- b) No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956.
- c) No bonus shares have been issued out of Revaluation Reserves.
- d) 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	Face Value (₹)	Issue Price (₹)	Reasons
November 26, 2015	Mr. Surendra Hindu Singh Bhati	50,000	10	10	Further Allotment
	Mr. Sohan Kanwar	50,000			
	Mr. Hindu Singh	50,000			

e) 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	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. Of Shares	% of Pre Issue Paid – Up Capital	% of Post Issue Paid – Up Capital	Lock in Period
Mr. Surendra Hindu Singh Bhati									



Incorporation	MoA	Cash	5,100	10	10	5,100	0.20%	0.14%	NIL
March 30, 2012	Transfer	Cash	(5,100)	10	10	-	0.00%	NIL	NIL
June 10, 2015	Transfer	Cash	3,10,000	10	13.50	3,10,000	12.40%	8.47%	3Years
November 26, 2015 ⁽¹⁾	Further allotment	Cash	50,000	10	10	3,60,000	14.40%	9.48%	3Years
April 02, 2016 ⁽²⁾	Further allotment	Cash	15150	10	35	13,60,000	54.40%	37.16%	3Years
			984850						1 Year

SKSS Services Limited									
March 16, 2016	Further allotment	Cash	3,75,150	10	10	8,00,000	32.00%	21.86%	3Years
			4,24,850						1 Year

⁽¹⁾Pursuant to EGM held on October 28, 2015, our Company has issued 50,000 shares against outstanding unsecured loan on Right issue basis.

⁽²⁾Pursuant to EGM held on March 14, 2016, our Company has issued 10,00,000 shares against outstanding unsecured loan and fresh application money on Right issue basis.

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 allotment 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. 47 of this Draft Prospectus.
 - Our Promoters have confirmed to the Company and the LM that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.
 - All the shares held by our Promoters, except for the allotment made on April 02, 2016 were fully paid-up on the respective dates of acquisition of such shares.
- f) None of the members of the Promoters, Promoters Group, Directors and their immediate relatives have purchased or sold any 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:

i. 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 Promoter 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 ⁽¹⁾	As a % of Post Issue Share Capital
Mr. Surendra Hindu Singh Bhati	3,75,150	10.25%
SKSS Services Limited	3,75,150	10.25%
Total	7,50,300	20.50%

⁽¹⁾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, please refer Note no. 1(f) under "Notes to Capital Structure" on page no. 47 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 Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being issued 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 Promoter 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.

ii. Details of Shares locked-in for one year

- a) 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 Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.
- b) 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.
- c) 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.
- d) 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.

3) 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:



Category of Promoters	Pre Issue		Post Issue	
	No. of Shares	%	No. of Shares	%
1. Promoters				
Mr. Surendra Hindu Singh Bhati	13,60,000	54.40%	13,60,000	37.16%
SKSS Services Limited	8,00,000	32.00%	8,00,000	21.86%
2. Promoters Group (as defined by SEBI (ICDR) Regulations)				
Mr. Dinesh pal Singh Bhati	1,00,000	4.00%	1,00,000	2.73%
Mr. Ram Chandra Bhati	1,00,000	4.00%	1,00,000	2.73%
Mr. Hindu Singh	50,000	2.00%	50,000	1.37%
Mrs. Sohan Kanwar	50,000	2.00%	50,000	1.37%
3. Other Persons, Firms or Companies whose shareholding is aggregated for the purpose of disclosing in the Draft Prospectus under the heading "Shareholding of the Promoter Group".	-	-	-	-
Total Promoter & Promoter Group Holding	24,60,000	98.40%	24,60,000	67.21%
Total Paid up Capital	25,00,000	100.00%	36,60,000	100.00%

4) 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	Mr. Surendra Hindu Singh Bhati	13,60,000	54.40%
2	SKSS Services Limited	8,00,000	32.00%
3	Mr. Dinesh pal Singh Bhati	1,00,000	4.00%
4	Mr. Ram Chandra Bhati	1,00,000	4.00%
5	Mr. Sohan Kanwar	50,000	2.00%
6	Mr. Hindu Singh	50,000	2.00%
7	Mr. Ravindrapal Singh Leelawat	30,000	1.20%
8	Mr. Lalit Sharma	10,000	0.40%
	Total	25,00,000	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	Mr. Surendra Hindu Singh Bhati	13,60,000	54.40%
2	SKSS Services Limited	8,00,000	32.00%
3	Mr. Dinesh pal Singh Bhati	1,00,000	4.00%
4	Mr. Ram Chandra Bhati	1,00,000	4.00%
5	Mr. Sohan Kanwar	50,000	2.00%
6	Mr. Hindu Singh	50,000	2.00%
7	Mr. Ravindrapal Singh Leelawat	30,000	1.20%
8	Mr. Lalit Sharma	10,000	0.40%
	Total	25,00,000	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	Percentage
1	SKSS Bharosa Holding Pvt. Ltd.	90,000	90.00%
2	Ravindrapal Singh Leelawat	10,000	10.00%
	Total	1,00,000	100.00%



- 5) Neither the Company, nor its 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.
- 6) 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. 86 of this Draft Prospectus.
- 7) 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. 171 of this Draft Prospectus.
- 8) 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.
- 9) An over-subscription to the extent of 10% of the Fresh 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 Promoter 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.
- 10) 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
- 11) 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.
- 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 and we do not have any revaluation reserves till date.
- 22) Our Company has not made any public issue or rights issue since its incorporation.



23) Shareholding pattern of our 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)	Shareholding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)				No of Underlying Outstanding 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 shares held (b)	No (a)	As a % of total shares held (b)	
								Class-Equity	Class	Total								
(A)	Promoter & Promoter Group	6	24,60,000	-	-	24,60,000	98.40%	24,60,000	-	24,60,000	98.40%	-	98.40%	-	-	-	-	-
(B)	Public	2	40,000	-	-	40,000	1.60%	40,000	-	40,000	1.60%	-	1.60%	-	-	-	-	-
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	8	25,00,000	-	-	25,00,000	100.00%	25,00,000	-	25,00,000	100.00%	-	100.00%	-	-	-	-	-

The list of public shareholders holding more than 1% of the Pre-Issue paid up capital of our Company is as follows:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Pre-Issue (%)	Post-Issue (%)
1	Ravindrpal Singh Leelawat	30,000	1.20%	0.82%



SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue comprises a Fresh Issue by our Company.

The Fresh Issue

The Objects of the Issue is to raise funds for:

- (a) Funding Long Term Working Capital Requirements.

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and our brand image among our existing and potential customers.

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.

Fresh Issue Proceeds & Net Fresh Issue Proceeds

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

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	Gross Proceeds from the Issue	406.00
2	General Corporate Purposes	8.50
3	Issue related Expenses	41.50
	Net Proceeds from the Issue	356.00

Requirement of Funds and Means of Finance

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

We intend to utilise the Net Proceeds of the Fresh Issue ("Net Proceeds") of ₹ 356 lakhs for financing the objects as set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	Long Term Working Capital Requirements	356.00
	Total	356.00

The entire fund requirements are to be financed from the Net Fresh Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 4(2) (g) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.

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 funding 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 there under.

In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured / Bridge Loans and in such case the Funds raised shall be utilized towards repayment of Unsecured Loans or recouping of Internal Accruals. However, we confirm that except as mentioned below no unsecured / bridge financing has been availed as on date for the above mentioned objects, which is subject to being repaid from the Issue Proceeds.



For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see the section titled “Risk Factors” beginning on page 11 of this Draft Prospectus.

DETAILS OF THE FUND REQUIREMENTS

I. Long Term Working Capital Requirements

We operate as a marketing and distribution unit. We procure caps, belts, socks, wallets, hand kerchief and fabric and other textile material in large quantities from vendors/suppliers and arrange to get the same dispatched to our master distributors for further distribution of the same and sale to the end customers.

The lead time for procuring the products is high and also in order to ensure readily available of the customized product along with a low lead time for our clients, we enjoy a lower credit period. Further, we are required to provide sufficient credit period to our clients resulting in high receivables and we enjoy minimum credit from our suppliers through against the same.

Basis of estimation of working capital requirement and estimated working capital requirement

(₹ in lakhs)

Sr. No.	Particulars	2016		2017	
		Amount	Holding Level (Days)	Amount	Holding Level (Days)
I.	Current Assets				
1.	Inventories	475.63	47	513.68	42
2.	Sundry Debtors	882.59	87	953.20	79
3.	Other Current Assets	2.24		5.00	
	Total Current Assets (A)	1,360.46		1,471.88	
II.	Current Liabilities				
1.	Sundry Creditors	301.72	28	362.06	28
2.	Other Current Liabilities	43.23		25.00	
3.	Provisions	34.67		30.00	
	Total Current Liabilities (B)	379.62		417.06	
III.	Total Working Capital Gap (A-B)	980.84		1,054.81	
IV.	Funding Pattern:				
1.	Part of the Net Proceeds to be utilized	-		356.00	
2.	Internal accruals/ Owned Funds	228.70		248.81	
3.	Loan from Banks	451.54		450.00	
4.	Loan from Directors	300.60		-	
		980.84		1,054.81	

Hence, our Company proposes to utilize ₹ 356.00 lakhs of the Net Proceeds towards working capital requirements for meeting our future business requirements.

II. General Corporate Purpose

We propose to deploy ₹ 8.50 lakhs, aggregating to 2.09% of the Proceeds of the Issue 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 total estimated Issue Expenses are ₹ 41.50 lakhs, which is 10.22% of the total Issue Size. The details of the Issue Expenses are tabulated below:

Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue size
1	Issue Management fees including fees and reimbursements of Market Making fees, selling commissions, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	29.50	71.08%	7.27%
2	Issue Brokerage	2.00	4.82%	0.49%
3	Printing & Stationery, Distribution, Postage, etc.	2.00	4.82%	0.49%
4	Advertisement and Marketing Expenses	2.50	6.02%	0.62%
5	Stock Exchange Fees, Regulatory and other Expenses	5.50	13.25%	1.35%
	Total	41.50	100.00%	10.22%

Appraisal and Bridge Loans

The Objects have not been appraised by any banks, financial institutions or agency. Further, our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds of the Fresh Issue.

Year wise Deployment of Funds / Schedule of Implementation

The entire Issue Proceeds of the Fresh Issue are proposed to be deployed in the Financial Year 2016 – 17.

Monitoring of Utilization of Funds

There is no requirement for a monitoring agency as the Issue size is less than L ₹ 50,000 lakhs. Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, 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.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the use and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilised, our Company will disclose the utilization of the Issue Proceeds under the separate heads in our company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilised Issue Proceeds. In the event that our company is unable to utilise the entire amount that we have currently estimated for use out of Issue Proceeds in a Fiscal Year, we will utilise such unutilised amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations of our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating material deviations, if any, in the utilisation of the Issue Proceeds for the objects stated in this Draft Prospectus.

Interim Use of Funds

Pending utilization of the Net Proceeds of the Fresh Issue 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.



Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, 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 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 part of the Net Proceeds of the Fresh Issue will be paid by our Company as consideration to our Promoters, our board of Directors, our Key Management Personnel or Group Companies except in the normal course of business and in compliance with applicable law.



BASIC TERMS OF THE ISSUE

Terms of the Issue

The Equity Shares, now being issued, 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, NSE, 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.

Approval for the Issue

The present Issue has been authorized pursuant to a resolution of our Board dated July 11, 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 July 13, 2016.

Other Details

Face Value	The Equity Shares having a face value of ₹ 10 each are being issued 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 issued at a price of ₹ 35 each.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 4,000 and in multiples of 4,000 thereafter; subject to a minimum allotment of 4,000 Equity Shares to the successful applicants.
Terms of Payment	Applications should be for a minimum of 4,000 equity shares and 4,000 equity shares thereafter. The entire price of the equity shares of ₹ 35 per share (₹ 10/- face value + ₹ 25 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 applicable sections of the Companies Act, 2013



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 ₹ 35 per Equity Shares and is 3.5 times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Business Overview” beginning on page nos. 11, 116 and 69 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:

- ✓ Experienced Promoter and competent management team
- ✓ Established Distribution Model
- ✓ Established Procurement Model
- ✓ Unique Product range and Price point

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. 69 of this Draft Prospectus.

Quantitative Factors

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

1) Earnings per Share (EPS)

Year ended March 31,	Basic & Diluted EPS (in ₹)*	Weight
2016	4.68	3
2015	19.00	2
2014	10.73	1
Weighted Average	10.46	

Basic and diluted EPS for the three months ended June 30, 2016 was ₹ 1.52

Notes:

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year /period}}$$

- b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year /period}}$$

- 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 ₹ 35 per share of ₹ 10 each

Particulars	P/E Ratios
P/E ratio based on basic and diluted EPS as at March 31, 2016	7.48
P/E ratio based on basic and diluted weighted average EPS as at March 31, 2016	3.35



Industry P/E*	
Highest – Future Fashions Lifestyle Ltd.	66.10
Lowest – Aditya Birla Fashion & Retail Ltd.	-
Industry Average	80.83

*Source: <http://www.moneycontrol.com/india/stockpricequote/retail>

3) Return on Net Worth (RoNW)

Year ended March 31	RoNW (%)	Weight
2016	26.89%	3
2015	18.14%	2
2014	55.23%	1
Weighted Average	28.70%	

RoNW for the three months period ended June 30, 2016 was 5.42%

Note: Return on Net worth has been calculated as per the following formula:

$$\text{RoNW} = \frac{\text{Net profit /loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

4) Minimum Return on Net Worth (RoNW) after Issue needed to maintain the Pre-Issue Basic & diluted EPS for the FY 2015-16 (based on Restated Financials) at the Issue Price of ₹ 35 is 9.52%.

5) Net Asset Value (NAV)

Financial Year	NAV (in ₹)
NAV as at June 30, 2016	18.73
NAV as at March 31, 2016	17.53
NAV after Issue	15.97
Issue Price	35.00

Note: Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year / period}}$$

6) Comparison with Industry peers

Particulars	F.Y. 2015-16					Source
	Face Value (₹)	Basic EPS (₹)	P/E Ratio	RONW (%)	NAV (₹)	
Future Lifestyle Fashion Limited	2	1.90	66.10	28.00%	85.61	Capital Markets: October 10-23 2016, Section: Miscellaneous
Aditya Birla Fashion Limited	10	-	-	-%	40.30	
PDS Multinational Fashions Limited	10	0.10	-	-%	39.54	
SKSS Lifestyle Ltd	10	4.68	7.48	26.89%	17.53	Restated Financials

⁽¹⁾ All Peer Comparisons are for Financials on Standalone basis

⁽²⁾ Based on closing price of the stock as on March 31, 2016

⁽³⁾ Issue price as disclosed in this Draft Prospectus / EPS

7) The Company in consultation with the Lead Manager believes that the issue price of ₹ 35 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 3.50 times of the face value i.e. ₹ 35 per share.



STATEMENT OF TAX BENEFITS

To,
The Board of Directors
SKSS Lifestyle Limited
903, 9th Floor, Trade World,
C-Wing, Kamala City,
Kamala Mill Compound,
Lower Parel (W),
Mumbai - 400 013

Dear Sirs,

Sub: Statement of possible special tax benefits ("the Statement") available to SKSS Lifestyle Limited ("the Company") and its shareholders prepared in accordance with the requirements in Schedule VIII-Clause (VII) (L) of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ("the Regulations")

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act') as amended by the Finance Act, 2016 (i.e applicable to Financial Year 2016-17 relevant to Assessment Year 2017-18), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special 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 choose to fulfil.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits available to the Company or its Shareholders. 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.

'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 Company 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.

The enclosed annexure is intended for your information and for inclusion in the Draft Prospectus / Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

For JAGIWALA AND CO.
Chartered Accountants
ICAI Firm Registration No: 131184W

Yogesh R Jagiwala
Partner,
Membership No. 016864
Place: Mumbai
Date: October 20, 2016



ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY 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.

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

The Company is not entitled to any special tax benefits under the Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

The Shareholders of the Company are not entitled to any special tax benefits under the Act.



SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

OVERVIEW OF THE GLOBAL AND INDIAN ECONOMY

Global Scenario

The world economy stumbled in 2015, amid weak aggregate demand, falling commodity prices and increasing financial market volatility in major economies. The world gross product is projected to grow by a mere 2.4 per cent in 2015, marking a downward revision from the 2.8 per cent forecast in the World Economic Situation and Prospects as of mid-2015.

The world economy is projected to grow by 2.9 per cent in 2016 and 3.2 per cent in 2017, supported by generally less restrictive fiscal and still accommodative monetary stances worldwide. The improvement in global growth is also predicated on easing of downward pressures on commodity prices, which should encourage new investments and lift growth, particularly in commodity dependent economies.

Growth of world output, 2013–2017

Annual Percentage Change	2013	2014	2015	2016	2017
World	2.3	2.6	2.4	2.9	3.2
Developed Economies	1.0	1.7	1.9	2.2	2.3
United States of America	1.5	2.4	2.4	2.6	2.8
Japan	1.6	-0.1	0.5	1.3	0.6
European Union	0.2	1.4	1.9	2.0	2.2
EU-15	0.1	1.2	1.8	2.0	2.1
New EU members	1.2	2.7	3.2	3.0	3.2
Euro area	-0.3	0.9	1.6	1.9	2.0
Other European countries	1.5	2.0	1.2	1.4	2.0
Economies in transition	2.1	0.9	-2.8	0.8	1.9
South-Eastern Europe	2.4	0.2	2.1	2.6	3.0
Commonwealth of Independent States and Georgia	2.0	0.9	-3.0	0.7	1.8
Russian Federation	1.3	0.6	-3.8	0.0	1.2
Developing Economies					
Africa	3.3	3.4	3.7	4.4	4.4
North Africa	1.1	0.7	3.5	4.1	4.1
East Africa	6.9	7.0	6.2	6.8	6.6
Central Africa	0.9	3.7	3.4	4.3	4.2
West Africa	5.7	6.1	4.4	5.2	5.3
Southern Africa	3.1	2.5	2.5	3.0	3.3
East and South Asia	6.1	6.1	5.7	5.8	5.8
East Asia	6.4	6.1	5.6	5.6	5.6
China	7.7	7.3	6.8	6.4	6.5
South Asia	4.9	6.4	6.0	6.7	7.0
India	6.5	7.2	7.2	7.3	7.5
Western Asia	2.0	2.6	2.0	2.4	3.0
Latin America and the Caribbean	2.8	1.0	-0.5	0.7	2.7
South America	3.1	0.5	-1.6	-0.1	2.4
Brazil	2.5	0.1	-2.8	-0.8	2.3

(Source: United Nations, 2015a)



Indian Economy

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.

According to IMF World Economic Outlook Update (January 2016), Indian economy is expected to grow at 7-7.75 per cent during FY 2016-17, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will grow by more than seven per cent for the third successive year 2016-17 and can start growing at eight per cent or more in next two years. Foreign direct investment (FDI) in India have increased by 29 per cent during October 2014-December 2015 period post the launch of Make in India campaign, compared to the 15-month period before the launch.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy. This initiative is expected to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy. Finance Minister Mr. Arun Jaitley stated that the government is looking at a number of reforms and resolution of pending tax disputes to attract investments.

India | Economic Forecasts | 2016-2020

Overview	Actual	Q2/16	Q3/16	Q4/16	Q1/17	2020		
GDP Growth Rate	1.70	1.9	1.6	1.7	1.7	1.3	percent	[+]
Unemployment Rate	4.90	4.7	5	4.8	4.8	4.6	percent	[+]
Inflation Rate	5.76	5.05	4.87	4.64	5.1	3.8	percent	[+]
Interest Rate	6.50	6.5	6.5	6.5	6.5	4.75	percent	[+]
Balance of Trade	-6272.90	-19200	-19000	-7764	-7826	-10115	USD Million	[+]
Government Debt to GDP	67.20	67.87	68.01	68.15	68.69	77.11	percent	[+]

(Source: www.ibef.org/economy/indian-economy-overview)

Men's Fashion Accessories Industry

Global Scenario

There was at least one good thing to come out of the Great Recession — it was the spark that started the worldwide explosion in men's accessories. From pocket squares to bracelets, backpacks to colorful socks, accessories are the hottest category in men's wear.

According to The NPD Group, total sales of men's accessories in the U.S. jumped 28.7 percent from 2012 to 2015, rising from \$11.5 billion to \$14.8 billion. By product category, sales of men's bags almost doubled, from \$1.4 billion in 2012 to \$2.3 billion in 2015. Small personal accessories rose from \$800 million to \$1.2 billion, and jewelry sales soared from \$2.9 billion to \$4.3 billion in that time frame.

IBIS World retail analyst Will McKitterick projects that men's accessories will account for 17.5 percent of the handbag, luggage and accessory business in the U.S. in 2016, up from an estimated 14.5 percent in 2010. "In recent years, the domestic market for women's accessories has become increasingly saturated and highly competitive," he said. "In response, several accessories [brands] have begun to design and sell a larger variety of men's accessories that extend beyond wallets, belts and laptop bags."



The growth isn't being seen only in the U.S. Sales are booming from Japan to Europe. In Italy, men's accessories, including textile accessories, belts, small leather goods and shoes, was worth 2.6 billion euros, or \$3.2 billion at average exchange, in 2015. Although shoe sales were under pressure, sales of textile accessories and leather goods rose 4 and 16 percent, respectively, according to a Fashion Consumer Panel survey by Sita Ricerca. According to Euro monitor, the men's luxury jewelry category saw 6 percent growth worldwide in 2015.

(Source: <http://www.randa.net/>)

Men's Accessories by Category

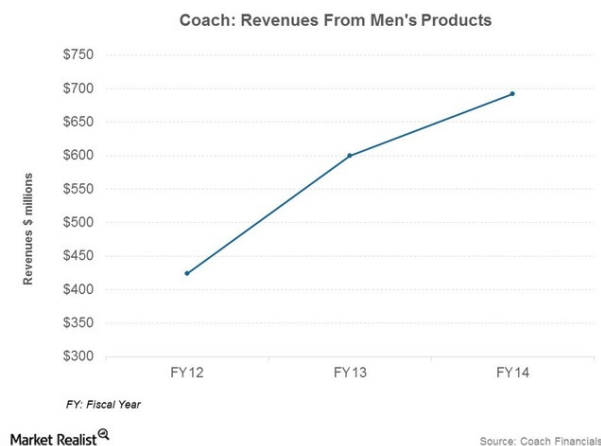
Type	Dollar Sales 12ME May'14	% Change 12ME May'13 vs. 12ME May'14
Jewelry	\$3.3 billion	+3%
Watches	\$3.1 billion	+6%
Sunglasses	\$2.0 billion	+7%
Bags	\$1.8 billion	+26%
Small Leather Goods	\$1.1 billion	+5%
Luggage	\$766 million	+19%

Source: The NPD Group, Inc./Consumer Tracking Service, June 2013-May 2014

Size and growth of the market

Men's spending on fashion and luxuries has outpaced that of women for the past few years. The growth and availability of online products have cemented this trend, as men are typically averse to long shopping trips to the mall. Rising incomes, a general demographic trend to marry later in life, and high demand from newer markets including China and the Middle East are some of the factors driving higher luxury spending by men in recent years.

The global market for premium handbags and accessories is estimated to be worth \$40 billion, of which men's products account for ~18%, or \$7 billion. A 2014 Bain & Company study notes that the global accessories market, the men's bags and menswear segments in particular, is likely to experience great momentum going forward.



(Source: <http://marketrealist.com/2015/01/future-growth-luxury-brands-men/>)

Product wise global scenario

1. Men's Wallets

Wallets are for both men and women, and are designed to carry personal belongings such as cash, cards (business cards, credit and debit cards, identification cards, and gift cards etc.), other identification documents, and photographs. These are also among the most fashionable and popular products among people. Wallets are not only comfortable and convenient to carry but have come to be seen as a status symbol in urban society.



Analysts forecast the global wallets market to grow at a CAGR of 4.77% and 4.93%, in terms of revenue and volume, respectively, during 2014-2019.

2. Men's Caps and Hats

The global market for caps and hats is expected to witness growth supported by the rising awareness over the need to protect the skin from the harmful effects of ultraviolet radiation found in the sunlight. The rising prevalence of melanoma and other forms of skin cancer is resulting in stronger emphasis on skin protection as a primary prevention strategy for skin cancer. Consumers' changing sun protective behaviour and attitudes such as wearing clothes and shades that prevent sunburns is helping drive demand for sun protective hats and caps.

The market is also expected to benefit from the growing levels of fashion-consciousness among both men and women.

3. Men's Socks

The global socks market was valued at US\$5.6 bn in 2014, at a CAGR of 8.5% from 2015 to 2021 to account for US\$11.6 bn by 2023. Socks account for a small, but significant part of the apparel market and one's dresser. Socks are consumer products. However, the global socks market is expected to experience exponential growth due to rising demand for high-end and luxurious socks. The socks market is booming as compared to the apparel market. Although a commodity item, socks have upgraded into fashion pieces owing to product development & diversification and commercialization. The socks market in developing regions is majorly driven by local players. However, the retail market is growing rapidly in the developing regions especially in Asia Pacific and Latin America which is expected to augment sales of socks during the forecast period. Moreover, introduction of novelty socks and improving retail network is likely to drive demand for high-end socks.

(Source: www.transparencymarketresearch.com, www.strategyr.com/MarketResearch/Hats_Caps, www.prnewswire.com/.../global-wallets-market-2015-2019)

Indian Scenario

The fashion accessory is a separate market in itself, bringing in considerable amounts of capital and increasing its contribution to the fashion industry year by year. The fashion accessories market of India was observed at US\$ 3.4 billion in 2014 and is estimated to grow at CAGR of 12 percent to reach US\$ 10.6 billion by 2024. Unorganised players dominate this market, and the share of organised retail stands at a mere 16 percent for bags, belts and wallets and 45 percent for watches.

There was a time when fashion items were being purchased as and when required. Now-a-days, fashion clothing is more than a basic need; it is a reflection of aspiration, personality, and one of the biggest status symbols. The Indian fashion consumers can tell the difference between unbranded and branded apparel. They are able to decode the messages communicated by different brands on different occasions. The aspirational youth is also influenced by peer groups working with multinational companies and having international exposure. Though basic textiles and footwear continue to be a part of the consumer's basket, the demand for aspirational fashion clothing and fashion accessories has increased substantially in recent years.

Although the fashion consumer is willing to spend more on clothing and accessories of choice, the consciousness of value received for the money spent has increased manifold. The weak economic outlook and higher inflation rates have also contributed to this heightened value consciousness. There is a distinct differentiation between pre-2008 and post-2008 India. Even while long-term faith in the growth and consumption story of India stays intact, the short-term scenario appears bleak. The fear of job loss, stagnation of personal income, increased spending on food, etc. have a profound impact on the purchasing behavior of consumers. The consumer is inclined towards value and affordability, but, at the same time, there is an inherent need for a fashionable look.

(Source: <http://www.indiaretailing.com/>)

Size and growth of the market

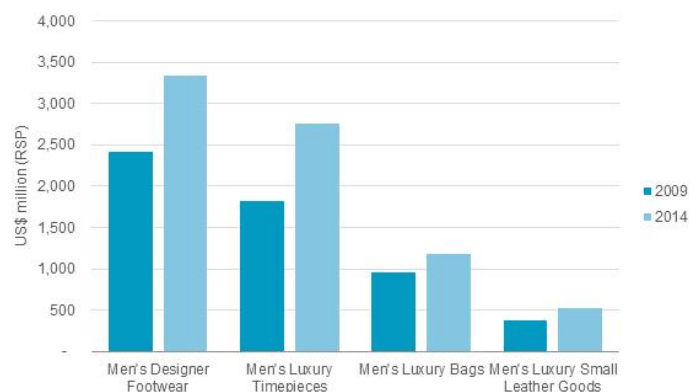
The conception of fashion accessories like most things can be traced down to arise from need-based situations which have now gradually evolved to attain a more want-based significance, adding more value to the overall look instead of just the functionality of an attire. The Indian consumer is now conscious about his/her personality and selects such fashion products as might suit his/her personality the best. The Indian fashion consumer is undergoing an evolution and

is rapidly adapting to international fashion statements. Increasing disposable incomes, exposure to international events and fashion icons, and rising confidence levels are driving the changes in the consumer purchase behavior.

The market for fashion accessories in India is thriving and is expected to occupy bigger shares in the coming years. One major reason for this promise of growth is the unique quality of accessories of accentuating the overall look of attires. Right accessorising provides multiple options to alter styles through mix-n-match and repeat outfits with a renewed look, all at economical prices. The fashion accessories market of India was observed at US\$ 3.4 billion in 2014 and is estimated to grow at CAGR of 12% to reach US\$ 10.6 billion by 2024. Unorganised players dominate this market, and the share of organised retail stands at a mere 16% for bags, belts and wallets and 45% for watches.

Indian consumers are increasingly accepting modern, contemporary fashion accessories as a vital part of their overall outfit choices, which in turn is facilitating the entry of new domestic and international players into the market. Although still a fledgling market, the category of fashion accessories is expected to experience various innovations to become much more dynamic and organised than it is today. In the context of this article, the sub-categories of bags, belts, wallets and watches have been considered as the primary accessory items.

The size of the market for watches and belts, bags, wallets has been observed to increase by a ratio of 2:1 from the years 2014 to 2019. Though the same ratio may not be registered for the second half of the decade, they definitely shall continue to move towards a higher market share and a more organised structure.



(Source: blog.euromonitor.com)

Growth Drivers

Both demand and supply side factors have provided impetus to the growth of the fashion accessories market in India. These are discussed hereunder.

Demand Side Factors

1. Positive economic outlook and rising discretionary incomes

India's economic growth has attracted considerable attention from the developed world. India despite its share of economic instability and fluctuations still remains the most potential market after China. With China's economy graduating towards saturation, India is being touted as the next big thing. As a result of India's surging economic situation, the per capita incomes are also experiencing an upward trend leading to higher discretionary incomes at the hands of the consumers.

2. Growing eve power

Evolving social scenarios along with the said positive economic development in the country has brought about much-needed and welcome change in how women are viewed in the country. Percentage of parents preferring the girl child and the number of females opting for higher education and subsequently joining the skilled labour force have increased manifold. This growing 'eve-power' is responsible for augmenting growth in the fashion accessories segment as accessories are predominantly made for and purchased or used by women folk.

3. The demographic advantage



India is one of the youngest nations of the world. Currently standing at 27 years (2015), it is assumed that by the year 2020, India's median age would be 29 years. India's youth is better poised today to attain higher levels of education and subsequently join the skilled workforce, thereby affecting the country's demand and supply and investment, and expenditure. These healthy injections and leakages of capital are fuelling further growth in the economy. The fashion accessories market too enjoying the benefits of India's young population.

Supply Side Factors

1. Corporatization of Indian fashion retail

More aware consumers, rising economic reliability and entry of international players in the industry are causing the market to become more organised and structured. The share of corporatisation in retail, especially in the fashion industry has made a lot of things much easier, leading to higher standards of distribution and marketing and improved levels of quality, product designs and services offered. Visual-merchandising is one important tool employed by retailers to entice consumers of today towards fashion accessories.

2. Acceptance of domestic brands

The desire to look fashionable whilst incurring lowest possible costs has made the consumer base of today incredibly flexible. Both branded and unbranded markets and domestic and international players or brands are catering to the fashion-conscious consumers. This trend has developed into the appearance and acceptance of several domestic brands in the segment which too are doing good business.

3. Customization of products

In an economically and culturally diverse country like India, customization plays a very important role. In spite of the ongoing trend of homogenization of tastes which is occurring as a by-product of this age, India is still defined by the heterogeneity of its consumer base. With this understanding, brands and retailers have started focusing on customization of products to suit the tastes and needs of the different consumer segments and regions. Choices vary across price segments and geographical regions.

(Source: <http://www.indiaretailing.com/2015/10/23/fashion/fashion-accessories-market-in-india/>)

Future of accessories market

The various ongoing developments in the fashion retail industry reflect the optimism of the market and indicate immense potential for growth and innovation. Due the impact of global fashion trends and blurring lines between well-defined styles for men and women, accessories are no longer just limited to women. Indian men too have embraced world fashion and have begun to wear more colorful clothes and prints in different styles, and have started demonstrating higher fashion-consciousness and awareness. The areas of high growth potential for the accessories market are tier -I and -II cities for women's accessories and eventually the smaller towns. The category of men's accessories needs to be propagated and accepted in semi-urban areas and players in urban areas need to expand and diversify their products and their reach.

Since the average per capita income of the country is expected to continue rising in the coming years, the middle-class is expected to become more elaborate and diversified, with different levels of income-groups. Besides this, the rich contingent is of the nation is estimated to experience a boon as well. Owing to these developments, the luxury end of Indian fashion accessories market is expected to grow at a higher rate than other segments as the affluent consumer group will increasingly consider fashion accessories as a means to reaffirm its identity and to distinguish itself from the masses.

In conclusion, the ability of players to reinvent their product offering and attract consumers through innovation, superior design and style shall determine their success in this category and also the future of the fashion accessories market.

(Source: <http://www.indiaretailing.com/2015/10/23/fashion/fashion-accessories-market-in-india/>)

BUSINESS OVERVIEW

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.11, 116 and 134 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 SKSS Lifestyle Club Limited and Group Entities as the case may be.

OVERVIEW

About the Group

The SKSS Group was promoted by Mr. Surendra Hindu Singh Bhati in 2006 in Jaisalmer, Rajasthan and since then the group has met many milestones at a rapid pace. An aggressive approach has enabled the group to have a presence in various growing sectors such as infrastructure, financial services, power, media, textiles, men's fashion accessories, fashion retail, Import / Export and Hospitality.

SKSS Group currently has its presence in Mumbai, Maharashtra and Jaipur, Rajasthan.

The industries served by SKSS Group are shown in the diagram below:



About the Company

Our Company represents the retail fashion and accessories foray of the group. Our company is engaged in the distribution and marketing of textiles and men's fashion products and accessories.

Currently our product range includes caps, belts, wallets, handkerchiefs and socks. Our products are currently being sold in five states namely, Rajasthan, Gujarat, Maharashtra, Haryana and Delhi and we propose to increase our geographic reach throughout India and abroad.



Our products are sold through our own brand and we also engage in B2B sales and trading of other textile products, which comprises of sale of non-branded products.

Our distribution is carried through our master distributors with whom the company has entered into a master distributorship agreement for the distribution of its products in each of the five states namely, Maharashtra, Gujarat, Rajasthan, Haryana and Delhi. The company entered into its first master distribution agreement in the year 2014 for marketing and distribution of its products in the states of Delhi and Haryana and gradually spread to Maharashtra,



Gujarat and Rajasthan by the year 2015, by entering into further three master distribution agreements. Further we are also registered vendors and our products are also available on various e-commerce portals such as Snapdeal and Flipkart.

We have recently forayed into direct retail sales making our products available at our own branded retail kiosks / shops located at Pinnacle Mall, Nashik, and we process to further expand on this module adding other such point of sales in similar foot-print based locations. Our company also exports fabric and other textile products/ material to Dubai and Hongkong. We propose to increase our overseas textile trading and take advantage of string working capital capabilities post this issue.

Since the products being marketed and distributed by our Company comprises of caps, belts, wallets, handkerchief and socks which are used daily by all age groups our company aims to target the school and college going youth as well as the adults.

We operate through our offices located at 903, 9th floor, Kamla Mill Compound, Senapati Bapat Marg, Lower Parel, C-Wing, Trade World Kamla City, Greater Mumbai- 400013, and 21, Knaya Bas, Balsamand, Mandore Road, Jodhpur, Rajasthan -342001.

Our revenues have increased from ₹ 916.27 lakhs in F. Y. 2013-2014 to ₹ 2,285.92 lakhs in F. Y. 2014-15 and further to ₹ 3,682.37 lakhs in F. Y. 2015-16, showing an increase of 149.48% and 61.09% in F.Y. 2014-15 and 2015-16 respectively. Our EBITDA has increased from ₹ 18.39 lakhs in FY 2013-14 to ₹ 48.62 lakhs in FY 2014-15 and further to ₹ 107.86 lakhs in F. Y. 2015-16. Net Profit after tax for the above mentioned periods are ₹12.67 lakhs, ₹ 32.77 lakhs and ₹ 70.71 lakhs, respectively.

OUR COMPETITIVE STRENGTHS

- ***Experienced Promoter and competent management team***

Our Promoter is engaged in business activities for one decade and has a proven background and rich experience in conducting various business activities. Our Promoter Mr. Surendra Hindu Singh Bhati started his career in men's fashion accessories industry in the year 2011; for further details of our Promoter's experience and background, please refer the chapter titled "*Our Promoters and Promoter Group*" on page no. 99 of this Draft Prospectus. Our Company is managed by a team of experienced professionals exclusively focused on different aspects of our business operations. It allows us to deliver end to end solution and effectively addressing customer product requirements. We believe that our management team's experience and their understanding of fashion accessories business will enable us to continue to take advantage of both current and future market opportunities.

- ***Established Distribution Model***

Our company has currently entered into four (4) master distribution agreements for distribution of its products in the states of Gujarat, Maharashtra, Rajasthan, Haryana and Delhi respectively. Our company does not sell the products directly to the consumers; instead they are sold to the master distributors who further have over thirty (30) distributors for distribution of the products to various stores throughout the states. Our company believes that these master distributorship agreements shall help the company to increase its area of coverage and also increase brand recognition at lowest possible cost. By entering into the master distributorship agreement the company not only intends to cater the needs of the tier 1 cities but also meet the needs of the tier 2 and tier 3 cities of the country.

- ***Established Procurement Model***

Our company is not engaged in manufacture of any products in which it deals and its activities are restricted to marketing and distribution of its products. Our company obtains samples of the products in which it deals from the local traders and on meeting the desired quality and specification order is placed to the traders. As far as the branded products are concerned the company does not manufacture the same, instead the company gets its logo embedded/ embossed on the same through the traders from which it procures the products. Our company believes that the above procurement model shall help the company to procure the products in a timely manner and serve its customers better by meeting their demands on time. Further by not having manufacturing facilities our company has been able to cut down on manufacturing cost and at the same time maintain the quality of its products.

- **Unique Product range and Price point**

Our company offers a diverse range of products which includes caps, socks, belts, wallets, handkerchief and fabric other textile products. Our company believes that men's fashion wear has a lot of scope and there are very few Indian brands which are solely dedicated to men's fashion wear and accessories. Being an Indian brand our prices tend to be comparatively lower than various foreign brands which currently dominate the men's fashion wear and accessories market in the country. Our company believes that by adopting a lower pricing strategy the company can penetrate the markets and be known as a household brand.

OUR STRATEGY

- **Expansion of product range**

One of the key ways in which our company plans to grow its revenue is by expanding its product range to cover a higher profit margin products and fast moving items.



- **Further innovation of the distribution model**

Currently there are 4 (four) master distributors, servicing each of the five states where we have marketing presence, hence having indirect access to around 30 (thirty) distributors. Our company plans to have 1 (one) master distributor in every state, with an average of 10 (ten) distributors in 22 states, catering to 1000 points-of-sale each. This would mean 22 (twenty two) master distributors, 220 distributors and 2, 20,000 'point-of-sale' stores serviced. Further the smaller states would be handled directly by master distributors, who will handle 300 points-of-sale respectively, spanning approximately 21,000 stores. Our company expects to reach the above network by FY 2018.

- **Increase in e-commerce sales**

Our company already sells its products on popular e-commerce websites such as Snapdeal and Flipkart and plans to expand coverage to other popular sites such as Jabong, Amazon, eBay etc. Eventually, our company plans to have its presence on all the major e-commerce sites and online marketplaces by FY 2017.

50% of ecommerce sales will be fresh stock whereas 50% will be for liquidation of slow-moving inventory from the offline channels, during discount season. However, on blended basis, ecommerce sales through third-party vendors / marketplaces are expected to have similar margin as offline sales.

Our company also plans to launch its own ecommerce site in FY17 and a significant portion of sales is expected to be through this channel, once the product basket is widened.

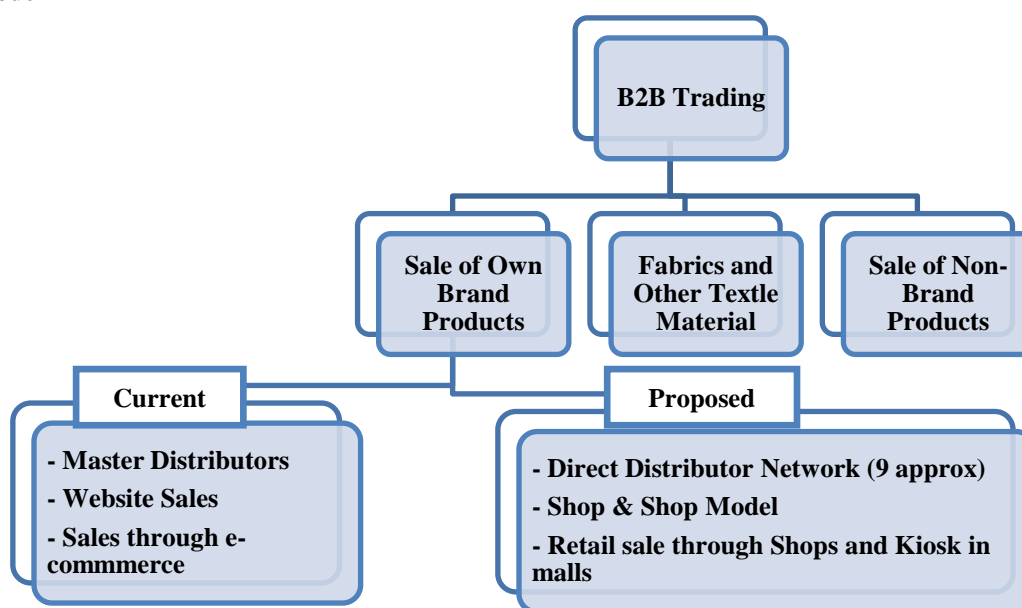
- **Improving presence in organised channels**

While currently SKSS sells only in ‘mom and pop’ stores, once the brand is more established, it plans to expand presence to organized chains in the multi-brand outlet (MBO) format through the Shop-in-Shop (SIS) format, such as Big Bazaar, Shoppers Stop and such other formats. Although margin and credit terms could be less favorable, the presence in organized chains is expected to boost brand awareness and overall brand image. Sales from organized chains are expected to account for 10% of revenues by FY18 and 15% by FY19.

As the product range is currently limited, the brand is restricted to ‘mom and pop’ stores; however, once the complete product range is rolled out by FY17, there is a plan to setup EBOs under the name ‘SKSS Club’ as well. initially 5-7 EBOs will be setup as ‘Company Owned Company Operated’ (COCO) stores in top selling cities for the brand such as Mumbai, Ahemdabad, Thane, Delhi, Jaipur etc and thereafter, franchisees will be appointed in smaller towns such as Nagpur, Jodhpur, Baroda, Surat etc . Sales from EBOs is expected to account for 5.4% of revenues by FY18 and 6.2% by FY19; growth almost entirely driven by franchising.

DETAILS OF OUR BUSINESS

Business Model



Currently our product range can be classified into three types, i.e. our own brand products, fabrics and other textile material and unbranded products. Our company currently does not make sales direct to the customers, i.e. it follows a B2B model where in the sales are made to the direct distributors who further distribute the products of the company in five states namely, Maharashtra, Gujarat, Rajasthan, Haryana and Delhi. Our company also exports its products to Dubai and Hongkong.

Some of the key terms of the master distribution agreement entered by the company are as under:

1. The master distributor shall order products by a written notice to the Company. Each order shall specify the number of units to be shipped, the type of units to be shipped. Company shall indicate its acceptance of such release by sending a signed copy to master distributor.
2. The master distributor shall use commercially reasonable efforts in promoting the products within the State. Such promotion shall include, but not be limited to, advertising products in appropriate trade publications within the State, participating in trade shows and directly soliciting orders from customers. In promoting the sale of products, the master distributor shall use promotional literature provided by Company.
3. The master distributor shall maintain a sufficient and representative inventory of products to serve customers in the State.
4. The master distributor shall provide effective customer service (including, but not limited to, taking orders, responding to customer inquiries, fulfilling requests for quotes on product pricing and providing after-sales service) on a timely basis and shall provide such assistance and information to customers as is reasonably requested by Company. The master distributor shall employ competent and experienced sales and technical

staff. The master distributor shall provide adequate and appropriate training to its staff concerning the products.

5. The master distributor shall provide Company with quarterly operation reports of the master distributor's activities undertaken to market the products in the State in accordance with guidelines issued by Company from time to time. Each report shall be due within three months after end of the quarter to which it relates.
6. The master distributor shall be free to establish its own pricing for products. The master distributor shall notify Company of its pricing, in effect from time to time.
7. The master distributor is liable to pay 12% interest on pending dues after stipulated time mentioned herein for credit period. If, any cheque is bounced then ₹ 500 will be charged as penalty.

LOCATION

Registered Office

We currently operate from the following office and storage facility in Maharashtra:

Our company generates revenue from our offices located at Unit 903, 9th floor, Trade World, C Wing, Kamala City, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013 and 21K, Naya Bas, Balsamand, Mandore Road, Jodhpur, Rajasthan -342001.

Warehouse

Our Company has a Storage Facility used for storing our products as mentioned below:

Mumbai Warehouse

Building No A 4, Unit No. 10, Babosa Industrial Park, Next to Vatika Hotel, Saravali Village, Mumbai- Nashik Highway, Bhiwandi, Thane-421302

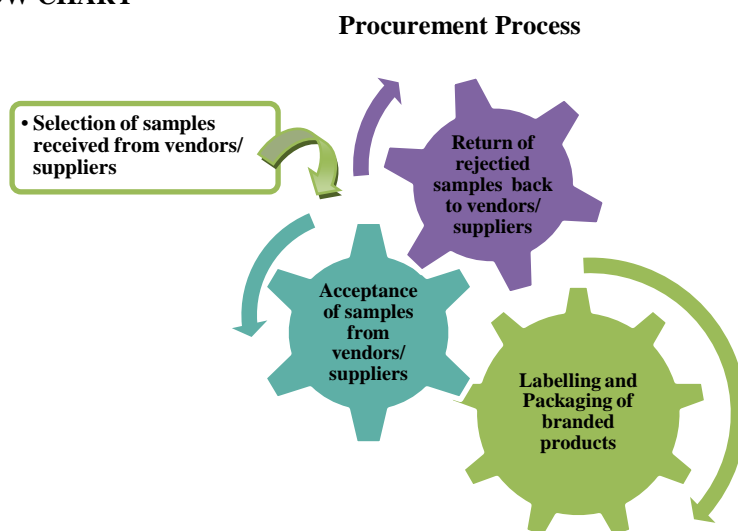
Rajasthan Warehouse

21K, Naya Bas, Balsamand, Mandore Road, Jodhpur, Rajasthan -342001

Point of Direct Sales

Ground Floor, Pinnacle Mall, Trambakeshwar Rd, Mohan Nagar, Nashik, Maharashtra 422002

PROCESS FLOW CHART



1. Procuring products from vendors/traders

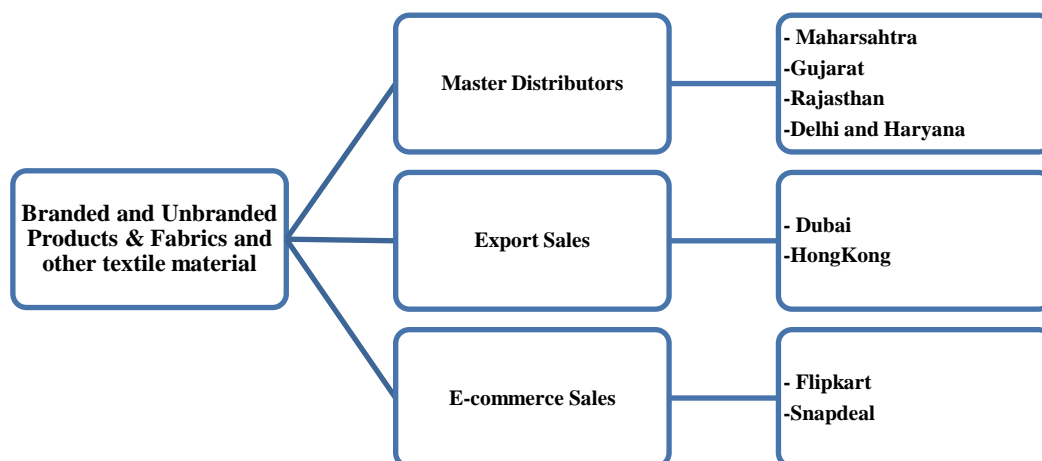
Our company doesn't manufacture any products in which it deals and thus all the products are sourced from the local vendors and traders. The procuring process involves obtaining sample from various vendors/traders and selecting

amongst the various samples received the one which meets the desired quality and specification. Utmost care is taken in selection of samples, so as to ensure that only quality products are delivered to the customers/ distributors.

2. Labelling and Packaging of branded products

Labelling is done according to each of our products and as per the specifications provided by the merchandising team. Our Company differentiates the packaging of its products by inserting a card containing photographs depicting the look of the products. Care is taken to make the packaging attractive and it also protects the products from damage. The finished products after labelling are packed into cartons and stored in our central warehouse for further distribution to the master distributors and e-commerce platforms.



Distribution Process






Currently our company has entered into master distribution agreement with distributors for distribution of its products in five states namely, Maharashtra, Gujarat, Rajasthan, Delhi and Haryana. However the company intends to expand its distributor network on PAN India basis, as referred above in the business strategies. In addition to distributing through the master distributors the company currently has its presence on e-commerce websites such as Flipkart and Snapdeal and it intends to create its presence on all major e-commerce websites.

Further currently our company is also exporting various textile products to Dubai and Hongkong.

PRODUCT RANGE

<p>1) Caps</p> 	<p>The caps provided by the company are available in five different colours namely, black, navy, white, yellow and blue. The caps currently accounts for 10% of the total revenue of the company.</p>
<p>2) Hand Kerchief</p> 	<p>Handkerchief is a basic product which is used by every individual of all age group on daily basis. The company provides hand kerchief made of quality material to its customers. Hand Kerchief's currently accounts for 25% of the total revenue of the company.</p>

<p>3) Socks</p> 	<p>Just like handkerchief even socks is a basic product which is used by every individual of all age group on daily basis. The company provides socks made of quality material of different sizes and colours to its customers. Socks currently accounts for 40% of the total revenue of the company.</p>
<p>4) Wallet</p> 	<p>Wallet is used by every individual of all age groups for keeping money, cards, driving licence, etc. The company provides wallets made of quality material of different colours to its customers. Wallets currently accounts for 10% of the total revenue of the company.</p>
<p>5) Belts</p> 	<p>Just like handkerchief and socks even belts is a basic product which is used by every individual of all age group on daily basis. The company provides belts made of quality material of different sizes and colours to its customers. Socks currently accounts for 15% of the total revenue of the company.</p>

Plant and Machinery, Power, Water, etc

SKSS Lifestyle Limited is engaged in the marketing and distribution of men's fashion accessories and fabric and other textile material. Since the company is not involved in manufacturing activities the does not own any plant and machinery. Since the branding and packaging of products are also outsourced the company is not equipped with plant and machinery. Further not being the manufacturing company the use of power and water by the company is only limited to office consumption which is sources from local utility bodies.

Raw Materials

Since the company is not involved in any manufacturing activities, no raw materials are procured. Our vendors acquire raw materials themselves in accordance with the orders placed by the company and the specific designs given to them by us.

MARKETING SETUP

SKSSL Lifestyle Limited is in the business of marketing and distributing of men's fashion accessories which was incorporated in the year 2011. The company engages in distribution of five products across Rajasthan, Gujarat, Maharashtra, Delhi and Haryana.

The sale of products in every state is ensured through a master distributor in every state. With company's assistance, every distributor actively promotes the sale of products within the state. Activities like advertising products in appropriate trade publications, participating in trade shows and directly soliciting orders from customers are undertaken to popularise the products in respective states.

The marketing initiatives undertaken by the group are as under:

<p>1. Launching of the logo on 5th November 2012 at Hotel Taj, Mumbai, by Chairman Mr. Surendra Hindu Singh Bhati, former Indian cricket team captain Mr. Kapil Dev and Brand Guru Mr. Jagdeep Kapoor.</p>	
<p>2. Launching of website on 5th November 2012 at Hotel Taj, Mumbai, by Chairman Mr. Surendra Hindu Singh Bhati, previous Indian cricket team captain Mr. Kapil Dev and Brand Guru Mr. Jagdeep Kapoor.</p>	
<p>3. Launching of the SKSS brochure on 7th March 2014 in Mumbai, by Chairman Mr. Surendra Hindu Singh Bhati, Brand Guru Mr. Jagdeep Kapoor and director Mr. Ravindra Singh Bhati.</p>	

MANPOWER

Our Company currently employs twelve (12) employees on its full time pay roll, the details of which are given below:

Sr. no	Category	No. of employees
1	Executive Directors	02
2	Key managerial personnel	03
3	Accounts, Administration & Marketing	07
	Total	12

Being a distributor based low overheads based model, we would like to ensure that we continue to grow the business through partners and ensure low operational overheads. However; once our retail presence increases; our staff requirements would increase and we would ensure we are well staffed for managing our growth projections.

EXPORTS AND EXPORT OBLIGATIONS

There are no Export Obligations as on date of this Draft Prospectus.

COLLABORATIONS

The Company has so far not entered into any technical or financial collaboration agreement.

INTELLECTUAL PROPERTY

The SKSS Group has applied for the registration of the following trademarks as explained below:



Sr. No.	Description	Class	Application Number	Date of application	Style
1.	SKSS	09	2704791	24/03/2014	Label
2.	SKSS	18	2704792	24/03/2014	Label
3.	SKSS	19	2704793	24/03/2014	Label
4.	SKSS	24	2704794	24/03/2014	Label
5.	SKSS	25	2704795	24/03/2014	Label
6.	SKSS	35	2704796	24/03/2014	Label
7.	SKSS	36	2704797	24/03/2014	Label
8.	SKSS	37	2704798	24/03/2014	Label
9.	SKSS	41	2704799	24/03/2014	Label
10.	SKSS	43	2704800	24/03/2014	Label
11.	SKSS	44	2704801	24/03/2014	Label
12.	SB Logo	09	2704802	24/03/2014	Label
13.	SB Logo	18	2704803	24/03/2014	Label
14.	SB Logo	19	2704804	24/03/2014	Label
15.	SB Logo	24	2704805	24/03/2014	Label
16.	SB Logo	25	2704806	24/03/2014	Label
17.	SB Logo	35	2704807	24/03/2014	Label
18.	SB Logo	36	2704808	24/03/2014	Label
19.	SB Logo	37	2704809	24/03/2014	Label
20.	SB Logo	41	2704810	24/03/2014	Label
21.	SB Logo	43	2704811	24/03/2014	Label
22.	SB Logo	44	2704812	24/03/2014	Label
23.	SAR SE PAANV TAK	35	2704813	24/03/2014	Word
24.	BADHO HAMARE SAATH, WEALTH BADA HAMARE SAATH	36	2704814	24/03/2014	Word
25.	BADHO HAMARE SAATH, BANA HAMARE SAATH	19	2704815	24/03/2014	Word
26.	BADHO HAMARE SAATH, BANA HAMARE SAATH	36	2704816	24/03/2014	Word
27.	BADHO HAMARE SAATH, BANA HAMARE SAATH	37	2704817	24/03/2014	Word

PROPERTY

Leave and License Property

Sr. No.	Name of the Licensor	Premises Leased and area	Term of the Lease	Amount of Rent and Security Deposit	Purpose
1	Mr. Kutubuddin Najaf & Mrs. Sabera K. Najaf	903, 9 th floor, Trade World, C Wing, Kamla Mills, Senapati Bapat Marg, Lower Parel, Mumbai- 400013.	19 months	Deposit - ₹ 9,60,000/- Rent - ₹ 1,68,000/- p.m. (for first 7 months) ₹ 1,76,400/- p.m. (for balance 12 months)	Registered Office
2	Mr. Manohar Singh	21K, Naya Bas, Balsamand, Mandore Road, Jodhpur, Rajasthan -342001	3 years	Rent - ₹ 5,000/- p.m.	Office cum godown
3	M/s Babosa Corporation	Building No A 4, Unit No. 10, Babosa Industrial Park, Next to Vatika Hotel, Saravali Village,	5 years	Deposit - ₹ 3,60,000/- Rent - ₹ 60,000/- p.m.	Godown



Sr. No.	Name of the Licensor	Premises Leased and area	Term of the Lease	Amount of Rent and Security Deposit	Purpose
		Mumbai- Nashik Highway, Bhiwandi, Thane-421302			

INSURANCE

The insurance policies obtained by the company are:

Sr. No.	Name of the Insurance Company	Type of Policy	Validity Period	Details of Assets/Persons covered under the policy	Policy No.	Sum Insured (₹ lakhs)	Premium p.a.
1.	Universal Sampo General Insurance Co. Ltd	Fire and Special Perils Policy, Burglary, Fidelity Guarantee	From 18/05/2016 to 17/05/2017	Furniture, Fittings, Office Equipments, Stock of Men's accessories of every description	2960/56161 487/00/000	₹1,150.00	₹ 2,24,191/-



KEY INDUSTRIAL REGULATIONS AND POLICIES

The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description below may not be exhaustive, and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.

For information on regulatory approvals obtained by us, see “Government and Other Approvals” on page 151 of this Draft Prospectus.

LAWS GOVERNING RETAIL TRADING IN INDIA

Regulations regarding foreign investments

Under the current consolidated FDI Policy, effective from June 7, 2016, issued by the DIPP including any modifications thereto or substitutions thereof, issued from time to time (the “**Consolidated FDI Policy**”) 100% FDI through automatic route is permitted in the manufacturing sector.

Single Brand Retail Trading

Under the Consolidated FDI Policy, up to 100% FDI is permitted in single brand product retail trading subject to compliance with certain specified conditions. In accordance with the terms of the Consolidated FDI Policy, 49% foreign investment into single brand product retail trading is permitted under the automatic route, and any investment in excess of 49% will require government approval.

Multi Brand Retail Trading

Under the FDI policy, FDI up to 51% is permitted in multi brand retail trading, under the government approval route, subject to compliance with certain specified conditions. Further, pursuant to the Consolidated FDI Policy, investments by non-resident investors up to 49% or the sectoral cap, whichever is lower, are permitted in companies operating in government approval sectors, without complying with the approval requirement and sectoral conditions, provided such investment is made through the portfolio investment scheme route.

Laws relating to sale of goods

The Sale of Goods Act, 1930 (the “Sale of Goods Act”)

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

The Customs Act, 1962 (“Customs Act”)

The Customs Act was enacted with a view to consolidate law relating to customs and provides the steps to be taken with respect to the import and export of goods, determination of rate of duty, tariff valuation, manner of payment to the authorities and loading and unloading of goods. It also requires persons to acquire licenses in case of private warehouses or if such person wishes to carry out the work of a custom broker. Penalties are imposed upon persons who contravene the provisions of the Customs Act, along with confiscation of the goods in dispute.

In exercise of the powers under the Customs Act, 1962 and in supersession of the Customs House Agents Licensing Regulations, 2004 the Custom Brokers Licensing Regulations, 2013 were enacted to provide, among other things, that a custom broker must obtain a license with respect to entry or departure of conveyance or import or export of goods. Contravention of the obligations under the license would result in imposition of penalties.



Consumer Protection Act, 1986 (“COPRA”)

The COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of these authorities attracts criminal penalties. In addition to awarding compensations and/or corrective orders, the forums/commissions under COPRA are empowered to impose penalty in terms of imprisonment of not less than a month, but not exceeding three years, or a fine of not less than two thousand rupees, but not more than ten thousand rupees, or both.

The Foreign Trade (Development and Regulation) Amendment Act, 2010

The Foreign Trade (Development and Regulation) Act was established on August 7, 1992 has been repealed and amended by enacting The Foreign Trade (Development and Regulation) Amendment Act, 2010 on August 19, 2010 for betterment of Foreign Trade. This Act came into existence as a replacement to the Import and Exports (Control) Act, 1947. Foreign trade is nothing but an exchange of goods and services between one country to another beyond their international borders. This Act is the supreme legislation in pursuance of foreign trade. This Act has been incorporated with the intention to provide framework for development and standardization of foreign trade by facilitating imports and enhancing exports in India and matters related to the same. The Director General of Foreign Trade or an authorized officer can suspend or cancel a licence issued for export or import of goods in accordance with the Foreign Trade Act, after giving the licence holder a reasonable opportunity of being heard.

Intellectual property laws

Certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 trademark protection under the Trade Marks Act, 1999, and design protection under the Designs Act, 2000 are also applicable to us.

The Trademarks Act, 1999 (the “**Trademarks Act**”) provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

The Copyright Act, 1957 (the “**Copyright Act**”) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a *prima facie* evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

Under statute, India provides for the patent protection under the Patents Act, 1970 (the “**Patents Act**”). The Patents Act governs the patent regime in India and recognises process patents as well as product patents. Patents obtained in India are valid for a period of 20 years from the date of filing the application. The Patents Act also provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

The Designs Act, 2000, (the “**Designs Act**”) protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

Tax related legislations

Service Tax

Chapter V of the Finance Act, 1994, as amended, (the “**Finance Act**”) provides for levy of service tax in respect of taxable services as defined under the Finance Act. 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 service tax must register with appropriate authorities. According to Rule 6 of the Service Tax Rules, 1994 (the “**Service Tax**”



Rules”), assessee is required to pay service tax in TR 6 challan by the 6th of the month immediately following the month to which it relates.

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

Central sales tax (“CST”) 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 under the CST. On the other hand, the taxability of a sale of movable goods within the jurisdiction of a state is determined as per local sales tax/value added tax legislation enacted within such states.

Value added tax (“VAT”)

The levy of sales tax within states is governed under applicable VAT related statutes enacted by respective states. VAT has resolved the problem of double taxation that was being levied under the hitherto system of sales tax. Under the current regime of VAT, the trader of goods has to pay VAT only on the value added on the goods sold. Hence VAT is a multi-point levy on each of the entities in the supply chain with the facility of set-off of input tax, that is the tax paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax. Periodical returns are required to be filed with the concerned VAT department of the respective states by the Company.

Goods and Service Tax Act, 2016 (“GST Act”)

On August 8, 2016, the Lok Sabha unanimously passed the 122nd Constitutional Amendment Bill, thereby introducing the GST regime. GST provides for imposition of tax on the supply of goods or services and is levied at two levels, central GST, and state GST, along with an integrated GST, for inter-state supply of goods or services. GST replaces a majority of indirect taxes and duties that are in place currently at the central and state levels, and is applicable on all goods with the exclusion of alcohol for human consumption, real estate and electricity.

Laws relating to Employment

Certain other laws and regulations that may be applicable to our Company include the following:

Employee’s Compensation Act, 1923 (“EC Act”)

The EC Act has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

Equal Remuneration Act, 1976 (“ER Act”)

ER Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

Maternity Benefit Act, 1961 (“MB Act”)

The purpose of the MB Act, 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides, inter alia, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

Minimum Wages Act 1948 (“MW Act”)

The MW Act came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorised to fix the minimum wages to be paid to the persons employed in scheduled or non scheduled employment. Every employer is required to pay not less



than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

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

The PG Act applies to every factory and shop or establishment in which ten or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a. On his/her superannuation;
- b. On his/her retirement or resignation;
- c. On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

Gratuity is payable to the employee at the rate of 15 (fifteen) days’ wages for every completed year of service or part thereof in excess of 6 (six) months.

Payment of Wages Act, 1936 (“PW Act”)

The PW Act is applicable to the payment of wages to persons in factories and other establishments. 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.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 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 1 (one) or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors 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 Rs. 50,000/- (Rupees Fifty Thousand Only).

Shops and Establishment Acts

Shops and Establishment Acts are state legislations that seek to govern and regulate the working conditions of workers/employees employed in shops and commercial establishments within that state. Every shop or commercial establishment is required to register itself under the relevant state’s shop and establishment act, as per the procedure laid down therein. Under the provisions of local shops and establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our Company’s offices and warehouses have to be registered under the Shops and Establishments laws of the state where they are located.

Other Laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.



HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as Sai Kripa Markserve Private Limited on February 28, 2011 under the Companies Act, 1956, with the Registrar of Companies, Mumbai. Thereafter, the name of our Company was changed to SKSS Lifestyle Club Private Limited pursuant to a fresh certificate of incorporation consequent upon change of name dated September 27, 2013 issued by the Registrar of Companies, Mumbai. Subsequently, our Company became a public limited company and the name of our Company was changed to SKSS Lifestyle Club Limited in February 12, 2016. A fresh certificate of incorporation was issued by the Registrar of Companies, Mumbai. In March, 2016, name of our Company was altered to “SKSS Lifestyle Limited” for which a fresh certificate of incorporation was issued by the Registrar of Companies, Mumbai. The Company’s Corporate Identity Number is U74110MH2011PLC214128.

SKSS Lifestyle Limited is growing at a considerable pace in the distribution of branded men’s fashion accessories across Rajasthan, Gujarat, Maharashtra, Punjab and Delhi. We distribute products under the brand name” SKSS Club” We are primarily engaged in distribution of caps, belts, socks, hand kerchiefs and wallets with the support of five distributors, one each in every state.

Our aim is to render branded quality accessories at economical prices and thereby cater to low income and middle income group of people.

For further details regarding our business operations, please see the chapter titled “Our Business” beginning on page 69 of this Prospectus.

MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Calendar Year	Event
2011	Incorporation of our Company as ‘Sai Kripa Markserve Private Limited’ a private limited company under the Companies Act, 1956
2013	Name of our Company was changed to ‘SKSS Lifestyle Club Private Limited’
2014	Entered into our 1 st Master Distribution Agreement
2014	Launching of Company brochure in Mumbai
2015	Company made its first online sales
2015	Company made its first export sales
2016	The company was converted into a Public Limited Company and consequently name of our Company was changed to ‘SKSS Lifestyle Club Limited’
2016	Name of our Company was changed to ‘SKSS Lifestyle Limited’

MAIN OBJECTS

The main object of our Company is as follows:

To carry on business of manufacturers, makers, producers, processors, distributors, stockists, suppliers, buyers, sellers, fabricators, designers, printers, bleachers, dyers, twisters, reefers, spinners, weavers, drapers and hosiers, tailors and outfitters, checkers, packers, marketers, importers, exporters, wholesale as well as retail dealers, as principals, as agents, as licensees or as franchise in men’s, women’s, children’s fashion accessories, garment accessories, clothing accessories, clothing, wearing apparels including caps, wallets, belts, bags, handkerchiefs, socks, time wear, eyewear, eyewear accessories, rainy wear, rainy accessories, winter wear, winter accessories, undergarments, dupattas, stoles, scarves, shawls, footwear, footwear accessories, leather belts, leather bags, leather garments, traveling bags, canvas bags, leather and imitation of leather, articles of leather materials, leather accessories, canvas accessories, perfumes, deodorants, fresheners and allied goods of every kind, nature and description and all associated works including cutting, stitching, sewing, washing, cleaning, drying, pressing, labelling, branding and job working in India and abroad. To carry on as importers and exporters, of all kinds of yarns and textiles, wholesale and retail dealers, marketers, processors, as principals, as agents, as licensees or as franchise of garments, textile goods, hosiery goods, of all kinds of cloth, cotton goods and readymade goods of every kind.

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

As on the date of this Draft Prospectus, our Registered Office is located at Unit 903, 9th floor, Trade World, C Wing, Kamala City, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013, Maharashtra, India. There has been a change in the address of the registered office of our Company since incorporation as follows:



Date of Change of Registered Office	Details of the address of Registered Office		Reason
	From	To	
April 25, 2011	C/329, Antop Hill Warehousing Company Limited, V. I. T. College Road, Wadala East, Mumbai – 400 037, Maharashtra, India.	C/ 345, Antop Hill Warehousing Company Limited, V. I. T. College Road, Wadala East, Mumbai – 400 037, Maharashtra, India.	Due to administrative reasons
November 26, 2012	C/ 345, Antop Hill Warehousing Company Limited, V. I. T. College Road, Wadala East, Mumbai – 400 037, Maharashtra, India.	C/ 162, Antop Hill Warehousing Company Limited, V. I. T. College Road, Wadala East, Mumbai – 400 037, Maharashtra, India.	Due to administrative reasons
December 16, 2013	C/ 162, Antop Hill Warehousing Company Limited, V. I. T. College Road, Wadala East, Mumbai – 400 037, Maharashtra, India.	Ground Floor, Ismail Building, D. N. Road, Flora Fountain, Mumbai– 400 001, Maharashtra, India.	Due to administrative reasons
March 01, 2014	Ground Floor, Ismail Building, D. N. Road, Flora Fountain, Mumbai – 400 001, Maharashtra, India.	P No. 135, R No A 2, Road No. 9, Jawahar Nagar, Goregaon West, Mumbai – 400 062, Maharashtra, India.	Due to administrative reasons
March 14, 2014	P No. 135, R No A 2, Road No. 9, Jawahar Nagar, Goregaon West Mumbai – 400 062, Maharashtra, India.	Ground Floor, Ismail Building, D. N. Road, Flora Fountain, Mumbai – 400 001, Maharashtra, India.	Due to administrative reasons
November 21, 2014	Ground Floor, Ismail Building, D. N. Road, Flora Fountain, Mumbai – 400 001, Maharashtra, India.	Unit 903, 9 th Floor, Trade World, C Wing, Kamala City, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India,	Due to administrative reasons

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
February 01, 2012	Authorised share capital of our Company was increased from ₹ 1,00,000 consisting of 10,000 Equity Shares of ₹ 10.00 each to ₹ 10,00,000 consisting of 1,00,000 Equity shares of ₹ 10.00 each.
October 04, 2013	The name of our company was changed from ' <i>Sai Kripa Markserve Private Limited</i> ' to ' <i>SKSS Lifestyle Club Private Limited</i> ' pursuant to a fresh certificate of incorporation consequent upon change of name dated December 26, 2013 issued by the Registrar of Companies, Maharashtra, Mumbai.
March 12, 2015	Authorised share capital of our Company was increased from ₹ 10,00,000 consisting of 1,00,000 Equity Shares of ₹ 10.00 each to ₹ 1,50,00,000 consisting of 15,00,000 Equity Shares of ₹10.00 each.
December 21, 2015	Our Company was converted into a public limited company under the Companies Act, 2013 and the name of our Company was changed to ' <i>SKSS Lifestyle Club Limited</i> ' pursuant to certificate of incorporation consequent upon conversion to public limited company dated February 12, 2016 issued by the Registrar of Companies, Maharashtra, Mumbai.
February 23, 2016	Authorised share capital of our Company was increased from ₹ 1,50,00,000 consisting of 15,00,000 Equity shares of ₹ 10.00 each to ₹ 4,00,00,000 consisting of 40,00,000 Equity shares of ₹ 10.00 each.
March 10, 2016	The name of our company was changed from ' <i>SKSS Lifestyle Club Private Limited</i> ' to ' <i>SKSS Lifestyle Limited</i> ' pursuant to a fresh certificate of incorporation consequent upon change of name dated March 16, 2016 issued by the Registrar of Companies, Maharashtra, Mumbai.
March 11, 2016	Alteration of object clause(s) as per section 13 of the Companies act, 2013



SUBSIDIARIES

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

THE AMOUNT OF ACCUMULATED PROFIT/ (LOSSES) NOT ACCOUNTED FOR BY OUR COMPANY

There is no accumulated profit/ (losses) not accounted for by 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.

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

We have not acquired any business / undertakings since incorporation.

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 Director 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:

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<p>Mr. Surendra Hindu Singh Bhati <i>Chairman and Managing Director</i></p> <p>Address: 1103, Tower No. 1, Casa Grande, Senapati Bapat Marg, Lower Parel West, Delisle Road, Mumbai – 400013, Maharashtra, India.</p> <p>Date of appointment as Director: February 28, 2011</p> <p>Date of appointment as Chairman and Managing Director: February 16, 2016</p> <p>Term: Appointed as Chairman and Managing Director for a period of five years i.e. till February 15th, 2021</p> <p>Occupation: Business</p> <p>DIN: 02994392</p>	Indian	28 Years	<ul style="list-style-type: none"> • SKSS Industries Private Limited • SKSS Services Limited • SPG Macrocosm Limited • SKSS Bharosa Holding Private Limited • Cherished Traders Private Limited • Skyfall Trading Private Limited • SKSS Foundation • SKSS Rooms and Stay Private Limited • SKSS Texon Limited • SKSS Online Private Limited
<p>Mr. Ravindrapal Singh Leelawat <i>Whole Time Director.</i></p> <p>Address: 1103, Tower No. 1, Casa Grande, Senapati Bapat Marg, Lower Parel West, Delisle Road, Mumbai – 400013, Maharashtra, India.</p> <p>Date of appointment as Director: January 02, 2014</p> <p>Date of appointment as Whole Time Director: July 13, 2016</p> <p>Term: Appointed as Whole Time Director for a period of five years i.e. till July 12, 2021</p> <p>Occupation: Business</p> <p>DIN: http://www.mca.gov.in/mcafoportal/companyLLPMasterData.do05280034</p>	Indian	26 Years	<ul style="list-style-type: none"> • SKSS Industries Private Limited • SKSS Services Limited • SKSS Bharosa Holding Private Limited • Cherished Traders Private Limited • Skyfall Trading Private



Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
			Limited • SKSS Foundation • SKSS Texon Limited
<p>Mr. Lalit Sharma <i>Non-Executive Non- Independent Director</i></p> <p>Address: 256, Jaynarayan Vyas Colony, Jaisalmer - 345001, Rajasthan, India.</p> <p>Date of appointment as an Additional Director: February 12, 2016</p> <p>Date of Regularisation as Director: March 11, 2016</p> <p>Term: Liable to Retire by rotation.</p> <p>Occupation: Business</p> <p>DIN:03338162</p>	Indian	36 Years	• SKSS Services Limited • SKSS Consultancy Limited
<p>Mr. Nirbhay Jani <i>Non-Executive Independent Director</i></p> <p>Address: Shri Kuldevi, 15/18, Bhojrajpara, Gondal - 360311, Gujarat, India.</p> <p>Date of Appointment as Non-Executive Independent Director: July 13, 2016</p> <p>Term: Appointed as Non-Executive Independent Director for a period of five years i.e. till July 12, 2021</p> <p>Occupation: Business</p> <p>DIN: 07195425</p>	Indian	30 Years	NIL
<p>Ms. Tanvi Amar <i>Non-Executive Independent Director</i></p> <p>Address: 33, Ci, Enclave, Chuna Bhatti, Huzur, Bhopal - 462016, Madhya Pradesh, India.</p> <p>Date of Appointment as Non-Executive Independent Director: July 13, 2016</p> <p>Term: Appointed as Non-Executive Independent Director for a period of five years i.e. till July 12, 2021.</p> <p>Occupation: Business</p> <p>DIN: 07597064</p>	Indian	27 Years	NIL

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

Notes:

- 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 recognized stock exchange in India during the term of their directorship in such company.
- None of the Directors is categorized as a wilful defaulter, as defined under SEBI (ICDR) Regulations.

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Surendra Hindu Singh Bhati

Mr. Surendra Hindu Singh Bhati aged 28 years, is the Chairman and Managing Director of our company. He chose to be an entrepreneur & hence started early at the age of 18 taking his first step in the world of corporate by the establishment of Surendra & Co in Jaisalmer. Due to rapid economic growth in the period of 2011-12, a couple of companies were established under the name of Surendra & Co with more than 28 branches all over India., Mr. Singh is also involved in agricultural produce & holds agricultural lands in the state of Rajasthan. Nevertheless, Mr. Singh has extended across the globe as well by his ventures such as USS International, SKSS Trading & SKSS International. This young fortune hunter has voyaged his way to success and has also won the title of Icons of Marwar in 2012. Talking about the growth of the companies under the leadership of Mr. Singh's, most of the companies have witnessed an exponential growth in terms of revenues or profits generated before and after tax.

Mr. Ravindrapal Singh Leelawat

Mr. Ravindrapal Singh Leelawat, aged 26 years, is the Whole Time Director of our Company. He has completed B. Ed from Maharaja Ganga Singh University, Bikaner in the year 2015 and has also completed BA from Government JNV University, Jodhpur. He has been associated with the SKSS Group from the year 2012 as a director of SKSS Consulting Limited and under his directorship has handled finance and management functions. Owing to his enthusiasm and dedication he was appointed as an assistant director in SKSS Services Limited in the year 2012 for looking into the management and marketing functions.

Mr. Lalit Sharma

Mr. Lalit Sharma, aged 36 years, is the Non-Executive Director and Non-Independent Director of our Company. He is an undergraduate and before being appointed as a director of our company he was associated with Vodafone India Limited as a Regional Marketing Manager in Jaisalmer. Further he was associated with SKSS Consultancy Limited as a director from May 2011, handling management, finance and marketing function. He has an experience of over a decade in various industries such as FMCGs, Metals, Management Consulting, Men's fashion accessories and Real estate which would be beneficial for the growth of our company.

Mr. Nirbhay Jani

Mr. Nirbhay Jani, aged 30 years, is the Non-Executive Independent Director of our Company. He has obtained the Chartered Accountant (CA) degree from the Institute of Chartered Accountants of India in the year 2011. He has an experience in fund raising and corporate fund advisory also he has orchestrated hundreds of processes extracting billions in transaction value for clients through transactions in the field of equities, fund raising, offerings in international markets, structured finance, strategic re-structuring, management and leverage buyouts and management determination.

Ms. Tanvi Amar

Ms. Tanvi Amar, aged 27 years, is the Non-Executive Independent Director of our Company. She has completed B.E. in Electronics and Telecommunications from J.N. College of Technology and Science, Bhopal in the year 2011 and PGDM in finance from Institute for Technology & Management, Mumbai in the year 2014. She has an experience as a Relationship Manager in Ticker Plant India Pvt. Ltd from June 2015 to December 2015 and Anand Rathi Financial



Services, Mumbai from November 2014 to May 2015. She has undergone Internship at IDEA CELLULAR LTD, Head Office, Mumbai (as Management Trainee) from January 2013 to June 2013, Kotak Education Foundation, Mumbai (as NGO Intern) from October 2012 to December 2012 and Bharat Heavy Electricals Limited (BHEL), Bhopal (as Vocational engineer trainee). She currently is a freelancer with VIBGYOR, Mumbai in the field of Marketing and PR from October, 2014 onwards and is employed as an Analyst in CKP Holdings Pvt. Ltd (CKP Capital Advisors Pvt. Ltd) from February 2016.

RELATIONSHIP BETWEEN DIRECTORS

None of our Directors are related to each other.

Borrowing Powers of our Board of Directors

Our Company at its Extra-Ordinary General Meeting held on July 13, 2016 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 ₹ 100.00 crores.

Remuneration of Executive Directors

Mr. Surendra Hindu Singh Bhati, Chairman and Managing Director

The compensation package payable to him as resolved in the shareholders meeting held on February 16, 2016 is stated hereunder:

Salary :	Basic salary of ₹ 1,25,000 per month in the scale of ₹ 1,00,000 to ₹ 2,25,000.
Incentive / Commission:	Equivalent to 1% of the net profits of the Company, subject to the overall ceilings laid down in section 197 read with section 198 of the Companies Act, 2013.
Perquisites and other benefits:	<ul style="list-style-type: none">• REIMBURSEMENT OF MEDICAL EXPENSES: Reimbursement of medical expenses (including insurance premium for medical and hospitalization policy, (if any) incurred for self and family, subject to a ceiling of one month's salary or three months' salary over a period of three years, as per Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.• LEAVE TRAVEL CONCESSION: Leave travel concession for self and family members as per company's rules. For the above purpose, "Family" includes spouse, dependent children and parents.• PERSONAL ACCIDENT INSURANCE: Premium not to exceed ₹ 15,000/- per annum for personal accident insurance.• Fee of clubs subject to a maximum of two clubs, excluding admission and life membership fees.• Provision of Car for official -cum-personal use, however, the valuation for personal use of car shall be treated as perquisite in the hands of Chairman & Managing Director.• Provisions of Telephone at residence for official-cum-personal use. However, the valuation of personal use of telephone shall be treated as perquisite of the Chairman & Managing Director.

In addition to the perquisites as aforesaid, the Chairman & Managing Director shall also be entitled to the following benefits in accordance with the Rules of the Company, which shall not be included in the computation of ceiling on remuneration:



- Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- Encashment of leave at the end of the tenure.
- Reimbursement of all entertainment, traveling, hotel and other expenses incurred by the Chairman & Managing Director during the course of and in connection with the business of the Company.

Remuneration in the event of loss or inadequacy of profits: In the event of absence or inadequacy of profits in any financial year during the tenure of the Chairman & Managing Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.

Remuneration paid to Mr. Surendra Hindu Singh Bhati for F.Y. 2015-16 was ₹ 15.00 Lakhs.

Mr. Ravindrapal Singh Leelawat, Whole Time Director

The compensation package payable to him as resolved in the shareholders meeting held on July 13, 2016 is stated hereunder:

Salary: Basic salary of ₹ 1,00,000 per month.

Incentive / Commission: Equivalent to 1% of the net profits of the Company, subject to the overall ceilings laid down in section 197 read with section 198 of the Companies Act, 2013.

Perquisites and other benefits:

- **REIMBURSEMENT OF MEDICAL EXPENSES:** Reimbursement of medical expenses (including insurance premium for medical and hospitalisation policy, if any) incurred for self and family, subject to a ceiling of one month's salary or three months' salary over a period of three years, as per Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.
- **LEAVE TRAVEL CONCESSION:** Leave travel concession for self and family members as per company's rules. For the above purpose, "Family" includes spouse, dependent children and parents.
- **PERSONAL ACCIDENT INSURANCE:** Premium not to exceed ₹ 10,000/- per annum for personal accident insurance.
- Fee of clubs subject to a maximum of two clubs, excluding admission and life membership fees.
- Provision of Car for official -cum-personal use, however, the valuation for personal use of car shall be treated as perquisite in the hands of Whole Time Director.
- Provisions of Telephone at residence for official-cum-personal use. However, the valuation of personal use of telephone shall be treated as perquisite of the Whole Time Director.

In addition to the perquisites as aforesaid, the Whole Time Director shall also be entitled to the following benefits in accordance with the Rules of the Company, which shall not be included in the computation of ceiling on remuneration:

- Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- Encashment of leave at the end of the tenure.
- Reimbursement of all entertainment, traveling, hotel and other expenses incurred by the Whole-time Director during the course of and in connection with the business of the Company.

Remuneration in the In the event of absence or inadequacy of profits in any financial year during the tenure of



event of loss or inadequacy of profits: the Whole Time Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.

Remuneration paid to Mr. Ravindrapal Singh Leelawat for F.Y. 2015-16 was ₹ 7.00 lakhs.

Compensation of Non-Executive Directors

Pursuant to a resolution passed at the meeting of the Board of the Company on July 13, 2016 the Non-Executive Directors will be paid ₹ 2100/- per sitting fee for all Board / Committee meetings held.

Remuneration paid to our Non-Executive Directors in Fiscal 2016: 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. Surendra Hindu Singh Bhati	13,60,000	54.40%
Mr. Ravindrapal Singh Leelawat	30,000	1.20%
Mr. Lalit Sharma	10,000	0.40%
Mr. Nirbhay Jani	-	-
Ms. Tanvi Amar	-	-
Total Holding of Directors	14,00,000	56.00%
Total Paid up Capital	25,00,000	100.00%

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 Promoter, 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 XXIII - Related Party Transactions*” beginning on page nos. 86 and 130 of this Draft Prospectus respectively, our Directors do not have any other interest in our business.

Except as disclosed in “*Properties*” within the section titled “*Business Overview*” on page no.77 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. Further, except as disclosed in “*Properties*” within the section titled “*Business Overview*” on page no. 69 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 Appointment	Date of Resignation/ Change	Reason for change
1	Mr. Ravindrapal Singh Leelawat	02.01.2014	13.07.2016	Change in designation to Whole Time Director
2	Mr. Sumel Singh	-	03.01.2014	Resignation from Directorship
3	Ms. Pradnya Gharge	26.11.2015	-	Appointment as Additional Director
4	Ms. Pradnya Gharge	-	21.12.2015	Regularisation as a Director



5	Ms. Pradnya Gharge	-	13.02.2016	Resignation from Directorship
6	Ms. Surendra Hindu Singh Bhati	16.02.2016	-	Appointment as a Chairman and Managing Director
7	Mr. Lalit Sharma	12.02.2016	11.03.2016	Regularisation as a Director
8	Mr. Nirbhay Jani	13.07.2016	-	Appointment as an Independent Director
9	Ms. Tanvi Amar	13.07.2016	-	Appointment as an Independent Director

Corporate Governance

The provisions of the SEBI (LODR) Regulations, 2015 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 SEBI (LODR) Regulations, 2015, 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 SEBI (LODR) Regulations, 2015. 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 (5) Directors. In compliance with the requirements of the Companies Act we have two (2) Executive Directors, one (1) Non-Executive Non-Independent Director and two (2) Non-Executive Independent Directors on our Board. Our Chairman is an Executive Director and we have a woman director on our Board.

Committees of our Board

We have constituted the following committees of our Board of Directors for compliance with Corporate Governance requirements:

1. Audit Committee
2. Stakeholder's Relationship Committee
3. Nomination and Remuneration Committee

1. Audit Committee

The Audit Committee of our Board was constituted by our Directors by a board resolution dated July 18, 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. Nirbhay Jani	Non-Executive Independent Director	Chairman
Ms. Tanvi Amar	Non-Executive Independent Director	Member
Mr. Surendra Hindu Singh Bhati	Managing Director	Member

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

- a) 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.
- b) 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.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) 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.
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
- f) 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/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.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) 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.
- n) Discussion with internal auditors any significant findings and follow up there on.
- o) 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.
- p) 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.
- q) 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.
- r) To review the functioning of the Whistle Blower mechanism.
- s) 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.
- t) 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. Stakeholder's Relationship Committee

The Shareholder and Investor Grievance Committee of our Board were constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated July 18, 2016. The Shareholder and Investor Grievance Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Nirbhay Jani	Non-Executive Independent Director	Chairman
Ms. Tanvi Amar	Non-Executive Independent Director	Member
Mr. Ravindrapal Singh Leelawat	Whole-time 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 constituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated July 18, 2016.

The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Ms. Tanvi Amar	Non-Executive Independent Director	Chairman
Mr. Nirbhay Jani	Non-Executive Independent Director	Member
Mr. Lalit Sharma	Non-Executive Non 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.

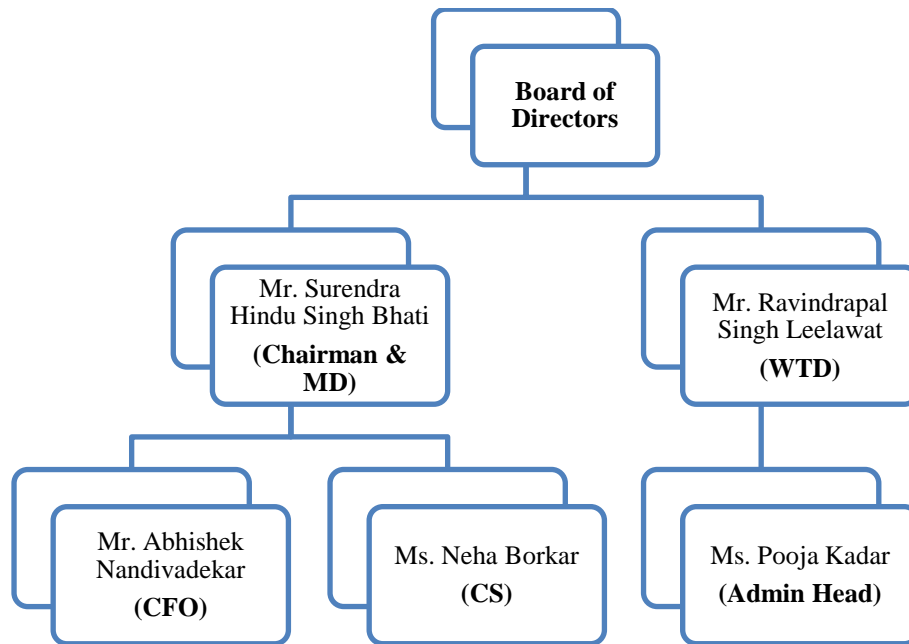
Policy on Disclosures & Internal procedure for prevention of Insider Trading

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 the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public Issue.

Our Board 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 Organization Structure



Terms & Abbreviations

MD	-	Managing Director
WTD	-	Whole-time Director
CFO	-	Chief Financial Officer
CS	-	Company Secretary
Admin	-	Administration



Key Managerial Personnel

The details of our key managerial personnel are as below –

Name of Employee	Designation & Functional Area	Date of Appointment	Compensation for Last Fiscal Year (₹ in lakhs)	Qualification	Name of Previous Employer(s)	Total years of Experience
Mr. Abhishek Nandivadekar	Chief Finance Officer	April 26, 2016	NIL	CA	• M/S Shinde & Associates	3 Years
Ms. Neha Borkar	Company Secretary	January 15, 2016	1.14 Lakhs	Company Secretary	• M/s Themis Medicare Ltd	1.3 Years
Ms. Pooja Kadar	Admin Head	December 16, 2014	2.02 Lakhs	B.Com	• M/s. Kothare Vision Pvt. Ltd	3.5 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 KMPs 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 our KMP's 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



Except as disclosed below, there has been no change in KMPs in past three years from the date of this Draft Prospectus:

Name of Employee	Designation & Functional Area	Date of Appointment
Mr. Abhishek Nandivadekar	Chief Financial Officer	May 04, 2016
Ms. Neha Borkar	Company Secretary	January 15, 2016
Ms. Pooja Kadar	Admin Head	December 16, 2014




OUR PROMOTERS AND PROMOTER GROUP

THE PROMOTERS OF OUR COMPANY ARE:

1. Mr. Surendra Hindu Singh Bhati (Individual Promoter)
2. M/s. SKSS Services Limited (Corporate Promoter)

Brief profile of our Individual Promoter:

	Mr. Surendra Hindu Singh Bhati
	PAN: BIVPS1246N
	Passport No.: P 1201987
	Driver's License No.: RJ15/DLC/07/13905
	Voter's ID No.: HYP/1839687
	Name of Bank & Branch: HDFC Bank, Churchgate Industry House, Mumbai
	Bank A/c No.: 05011530002254

For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past for our Individual Promoter, please see the chapter titled "Our Management" beginning on page no. 86 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. 47 of this Draft Prospectus.

Brief Profile of Our Corporate Promoter: M/s. SKSS Services Limited (SKSSSL)

Permanent Account Number	AAPCS8228Q
Company Registration Number	217443
Address of ROC with which the Company was registered	100, 5 th Floor, Everest, Near Marine Lines Railway Station, Marine Drive, Mumbai, Maharashtra- 400002.
Bank Account Number	05018630000415
Name of the Bank and Branch	HDFC Bank, Churchgate Industry House, Mumbai

Corporate Information and Brief Description

SKSSSL was originally incorporated under the Companies Act, 1956 as Sai Kripa Wealth Management Limited on May 13, 2011 in the state of Maharashtra, the name of the company was changed to SKSS Wealth Management Limited vide special resolution dated September 27, 2013 and further the name of the Company was changed to SKSS Services Limited. A fresh Certificate of Incorporation consequent upon change of name of Company to SKSS Services Limited was issued on March 09, 2016 by the Registrar of Companies, Mumbai. The registered office of SKSSSL is situated at Unit 903, 9th Floor, Trade World, C Wing, Kamala City, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, Maharashtra, India. The Corporate Identification Number of the Company is U65993MH2011PLC217443.

SKSSSL was originally incorporated by 1) Mr. Surendra Hindu Singh Bhati, 2) Mr. Sumel Singh, 3) Mr. Prayag Singh, 4) Mr. Ram Chandra Singh, 5) Mr. Kailash Chandra Bhatia, 6) Mr. Devendra Kumar Purohit and 7) Mr. Sunil Paliwal in the year 2011. Our current Promoter M/s. SKSS Bharosa Holding Pvt. Ltd. and Promoter Group holds 99.00% equity shares of this company.

SKSSSL was not the original promoter of our company, however it currently holds 8,00,000 Equity Shares of our Company, which constitutes 32.00% of our Pre-Issue paid up Share Capital. The post- Issue Shareholding will be 21.86%. For details of the build-up of SKSSSL's shareholding in Our Company, please see "Capital Structure- Notes to Capital Structure" on page no. 47 of this Draft Prospectus. Further, we confirm that compliance with SEBI (SAST) Regulations and Listing Regulations was not applicable, since shares of our company were not listed on any Stock Exchange in India at the time of the said acquisitions.



The Main Objects of the SKSSSL are as follows:

To carry on the business as financial consultants, management consultants, and provide advice, services, consultancy in various fields, general administrative, secretarial, commercial, financial, legal, economic, labour, industrial, public relations, scientific, technical, direct and indirect taxation and other levies, statistical, accountancy, quality control, and data processing.

To carry on the business of consultants in all fields, including the business of legal, industrial business management, financial, cost accounting, recruitment personnel management, inventory control, import and export and other technical or non-technical consultants. To act as management consultants and render engineering, technical, management and other skilled and other services to all types of industry or organisations in India or abroad including for office, advertising, accounting, computer, secretarial and taxation matters and provide consultancy and advice in various fields related to all types of investment, public issue management, capital structuring, project finance, corporate counselling, taxation training consulting in leasing, hire purchase, bill discounting, economic research, security analysis factoring services, loan syndication, mergers and acquisition, international foreign currency loans and legal services as well as mutual fund operations and all activities except Banking and Insurance business under the Banking Regulation Act, 1949, and Insurance Act, 1938. To act as brokers, agents for shares, government securities, mutual funds and other financial products and consultants in these matters and to provide consultancy services for financial investment, management and making of surveys and reports thereon and to manage the investment portfolios of various individuals, firms and companies. To offer, give, take circulate and / or otherwise acceptor implement advisory services relating to shares and securities of all kind.

Board of Directors:

- Mr. Surendra Hindu Singh Bhati
- Mr. Lalit Sharma
- Mr. Ravindrapal Singh Leelawat

Shareholding Pattern

Shareholder name	% of total holding
Promoters and Promoter Group	98.50%
Others	1.50%
TOTAL	100.00%

Financial Information:

The brief financial details of SKSSSL derived from its audited financial statements, for Fiscals 2015, 2014 and 2013 are set forth below:

(₹ in lakhs)

Sr. No.	Particulars	As at March 31		
		2015	2014	2013
1	Equity Shares Fully Paid	200.00	200.00	200.00
2	Reserves and Surplus	21.38	14.34	9.16
3	Income including Other Income	43.77	46.65	36.66
4	Profit/ (Loss) After Tax	6.39	4.55	9.75
5	Earnings Per Share	0.32	0.23	0.49
6	Net Asset Value per Share	11.07	10.72	10.46

Other disclosures:

- The equity shares of SKSSSL are not listed on any stock exchange;
- SKSSSL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, SKSSSL does not have a negative net-worth in the immediately preceding year.
- No application has been made to RoC for striking off the name of SKSSSL;
- SKSSSL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.



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

Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters have confirmed that they have not been identified as wilful defaulters.

No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters 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.

Interests of Promoters

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by their relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Financial Information*” and “*Our Management*” beginning on page nos. 47, 116 and 86 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements 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.

Common Pursuits of our Promoters Group Companies

None of our Promoter Group Entities are currently engaged in the business similar to ours.

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

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus.

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

Except as stated in “*Annexure XXIII – Statement of Related Party Transactions*” on page no. 130 of this Draft Prospectus, there has been no payment of benefits to our Promoters during the two years preceding the date of the Draft Prospectus.

Interest of Promoters in the Promotion of our Company

Our Company is currently promoted by the Promoters in order to carry on its present business. 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.

Interest of Promoters in the Property of our Company

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 details, please see the chapter “*Business Overview*” on page no. 69 of this Draft Prospectus.

Except as mentioned in this section and the chapters titled “*Capital Structure*”, “*Business Overview*”, “*History and Certain Corporate matters*” and “*Annexure XXIII – Statement of Related Party Transactions*” on page nos. 47, 69, 83 and 130 of this Draft Prospectus, respectively, our Promoters do not have any interest in our Company other than as Promoters.



Related Party Transactions

Except as stated in the “Annexure XXIII – Statement of Related Party Transactions” on page no. 130 of this Draft Prospectus, our Company has not entered into related party transactions with our Promoters or our Group Companies.

Other Confirmations

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or Promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the “Annexure XXIII – Statement of Related Party Transactions” on page no. 130 of this Draft Prospectus.

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. 11 and 147 of this Draft Prospectus.

OUR PROMOTER GROUP

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:

A. Natural Persons who are Part of the Promoter Group

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Mr. Surendra Hindu Singh Bhati	Hindu Singh Bhati	Father
	Sohan Kanwar	Mother
	Usha Surendra Singh Bhati	Wife
	Dinesh Pal Singh Bhati & Ramchandra Singh Bhati	Brother(s)
	Manohar Singh Rathore	Wife’s Father
	Kailash Kanwar	Wife’s Mother
	Abhimanyu Singh Rathore, Kalyan Singh Rathore	Wife’s Brother(s)
	Pooja Rathore	Wife’s Sister(s)

B. Companies / Corporate Entities forming part of the Promoter Group

As per Regulation 2(1)(zb)(iv) of the SEBI (ICDR) Regulations, 2009, the following Companies/ Trusts/ Partnership firms/ HUFs or Sole Proprietorships shall form part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity/ Company
1	SKSS Bharosa Holding Private Limited
2	Cherished Traders Private Limited
3	Skyfall Trading Private Limited
4	USS International Trading Pte Limited
5	SKSS International Limited
6	SKSS International Trading LLC
7	SKSS Texcon Limited
9	Mahecha Multi Traders Private Limited
10	Rathore Tradelink Private Limited
11	SKSS Technology Private Limited
12	Sai Kripa Media Private Limited
13	Sai Kripa General Insurance Private Limited
14	SKSS Traders Pvt. Ltd.
15	SKSS Industries Private Limited
16	Mohan Kripa Retail Pvt Ltd
17	SKSS Impex Pvt Ltd
18	SKSS Rooms & Stay Pvt. Ltd.
19	Sai Kripa Traveltrip Private Limited



OUR GROUP COMPANIES

In addition to our Promoter Group, as specified under the section “*Our Promoter, Promoter Group*” on page no. 99 of this Draft Prospectus, the companies that form part of our ‘Group Companies’ are based on the requirements of the Schedule VIII of the SEBI (ICDR) Regulations, 2009, as amended

Our Group Company based on the above are:

1. SKSS Texcon Limited
2. SKSS Industries Pvt. Ltd.
3. Mohan Kripa Retail Pvt. Ltd.
4. SKSS Impex Pvt. Ltd.
5. Sundha Mata Motors Pvt. Ltd.
6. SKSS Foundation(U/S 8)
7. SKSS Bharosa Holding Pvt. Ltd.
8. SKSS Technology Pvt. Ltd.
9. SKSS Traders Pvt. Ltd.
10. Sai Kripa General Insurance Pvt. Ltd.
11. Sai Kripa Media Pvt. Ltd.
12. SKSS Rooms & Stay Pvt. Ltd.
13. Sai Kripa Traveltrip Pvt. Ltd.
14. Cherished Traders Pvt. Ltd.
15. Skyfall Trading Pvt. Ltd.
16. Mahecha Multi Traders Pvt. Ltd.
17. Rathore Tradelink Private Limited
18. USS International Trading Pte Ltd.
19. SKSS International Ltd
20. SKSS International Trading LLC

FINANCIAL INFORMATION OF GROUP ENTITIES

As per Schedule VIII (IX) (C) (2) of the SEBI (ICDR) Regulations 2009, the financial information of our group companies on the basis of Turnover, are given below:

1. SKSS TEXCON LIMITED (SKSSTL)

Corporate Information:

SKSSTL was initially incorporated under the Companies Act, 1956 as Sai Kripa Surendra Singh Management Consultancy Limited on May 13, 2011 in the state of Maharashtra. Its registered office is situated at Unit 903, 9th Floor, Trade World, C Wing, Kamala City, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel Mumbai – 400013, Maharashtra, India. The name of the company was changed to SKSS Bharosa Management Consultancy Limited, which was further altered to SKSS Consultancy Limited on March 5, 2016. The name of the company was again altered to SKSS Texcon Limited on September 28, 2016. The main objects of SKSS Texcon Limited is to do business of manufacturers, makers, producers, processors, traders, distributors, stockists, suppliers, buyers, sellers, fabricators, designers, printers, bleachers, dyers, twistors, reefers, spinners, weavers, drapers and hosiers, tailors and outfitters, checkers, packers, marketers, importers, exporters, wholesale as well as retail dealers, as principals, as agents, as licensees or as franchise in readymade garments, fabrics and allied goods of every kind, nature and description and all associated works and providing multi services as registration of trust, foundations of NGO’S, project reports, FCRA registration and income tax exemptions, patent, trademark, copyright, design, CE mark, import-export licence, ISO and render consultancy services to civil engineering, corporate in the fields of management like Human Resources Services, recruitment, outsourcing, training, contract employment facility, management services, logistic solutions and consultancy services in customer support services, advisors, consultants, brokers or render services offering financial, technical business, tours and travel services, advertisement, event management and business promotions in India and abroad. To do business of importers and exporters, of all kinds of yarns and textiles, wholesale and retail dealers, marketers, processors, as principals, as agents, as licensees or as franchise of garments, textile goods, hosiery goods, of all kinds of cloth, cotton goods and readymade goods of every kind and business of advisors to the management of the Company under the agreed conditions and terms, subject to the approval of the Government of India. . The CIN No. of the Company is U74110MH2011PLC217441.



Board of Directors:

- Mr Surendra Hindu Singh Bhati
- Mr Lalit Sharma
- Mr Ravindrapal Singh Leelawat

Interest of our promoter:

Our promoter and promoter group hold 99.99% equity shares of this company.

Capital Structure

Particulars	No. of Shares of ₹ 10 each
Authorised Capital	10,00,000
Issued, Subscribed and fully paid up	10,00,000

Shareholding Pattern:

Particulars	No. of Shares	% of Total Shares
SKSS Bharosa Holding Pvt Ltd.	9,99,994	99.99%
Mr. Surendar Singh as nominee of M/s SKSS Bharosa Holding Pvt. Ltd.	1	Negligible
Mr. Rekha Ram as nominee of M/s SKSS Bharosa Holding Pvt. Ltd.	1	Negligible
Mr. Lalit Sharma as nominee of M/s SKSS Bharosa Holding Pvt. Ltd.	1	Negligible
Mr. Sumel Singh as nominee of M/s SKSS Bharosa Holding Pvt. Ltd.	1	Negligible
Mr. Heera Singh as nominee of M/s SKSS Bharosa Holding Pvt. Ltd.	1	Negligible
Mr. Kailash Chandra Bhati as nominee of M/s SKSS Bharosa Holding Pvt. Ltd.	1	Negligible
Total	10,00,000	100.00%

Financial Information:

The brief financial details of SKSSTL derived from its audited financial statements, for Fiscals 2015, 2014 and 2013 are set forth below:

(₹ in lakhs)

Sr. No.	Particulars	As at March 31		
		2015	2014	2013
1	Equity Shares Fully Paid	100.00	5.00	5.00
2	Reserves and Surplus	86.31	43.59	17.46
3	Income including Other Income	213.36	182.79	86.88
4	Profit/ (Loss) After Tax	42.12	25.97	15.29
5	Earnings Per Share	4.21	51.96	30.59
6	Net Asset Value per Share	18.63	97.19	44.93

Other disclosures:

- The equity shares of SKSSTL are not listed on any stock exchange;
- SKSSTL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up.
- No application has been made to RoC for striking off the name of SKSSTL
- SKSSTL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

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



2. SKSS INDUSTRIES PRIVATE LIMITED (SKSSIPL)

Corporate Information:

SKSSIPL was incorporated under the Companies Act, 1956 as Sai Mohan Prime Estate Private Limited on April 5, 2010 in the state of Rajasthan. Its registered office is situated at SKSS Plaza, Main Road, Gandhi Colony, Jaisalmer - 345001, Rajasthan, India. The name of the company was changed to SKSS Infrastructure Private Limited on December 26, 2013. The name was further altered to SKSS Industries Private Limited on February 23, 2016. The main objects SKSS Industries Private Limited is to carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting marketing or supplying trading, dealing in any manner whatsoever in all types of goods on retail as well as on wholesale basis in India or elsewhere. To carry on the business as exhibitors of various goods, services and merchandises and to undertake the necessary activities to promote sales of goods, services and merchandises manufactured/ dealt with/ provided by the company. The CIN No. of the Company is U45201RJ2010PTC031414

Board of Directors:

- Mr Surendra Hindu Singh Bhati
- Mr Ravindrapal Singh Leelawat

Interest of our promoter:

Our promoter and promoter group hold 100.00% equity shares of this company.

Capital Structure

Particulars	No. of Shares of ₹ 10 each
Authorised Capital	50,000
Issued, Subscribed and fully paid up	50,000

Shareholding Pattern:

Particulars	No. of Shares	% of Total Shares
SKSS Bharosa Holding Pvt. Ltd.	49999	100.00%
Surendra Singh (Nominee Shareholder)	1	0.00%
Total	50,000	100.00%

Financial Information:

The brief financial details of SKSSIPL derived from its audited financial statements, for Fiscals 2015, 2014 and 2013 are set forth below:

(₹ in lakhs)

Sr. No.	Particulars	As at March 31		
		2015	2014	2013
1	Equity Shares Fully Paid	5.00	5.00	5.00
2	Reserves and Surplus	26.65	23.30	19.43
3	Income including Other Income	26.00	687.50	124.81
4	Profit/ (Loss) After Tax	3.30	3.83	15.93
5	Earnings Per Share	6.60	7.65	31.87
6	Net Asset Value per Share	63.08	56.61	48.85

Other disclosures:

- The equity shares of SKSSIPL are not listed on any stock exchange;
- SKSSIPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up.
- No application has been made to RoC for striking off the name of SKSSIPL;
- SKSSIPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.



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

3. MAHECHA MULTI TRADERS PVT. LTD (MMTPL)

Corporate Information:

MMTPL was incorporated under the Companies Act, 1956 as Sai Mohan Printingpress Private Limited on May 27, 2011 in the state of Maharashtra. The name of the company was altered to on Mahecha Multi Traders Private Limited on March 18, 2016. Its registered office is situated at 302 Habib House, S. V. Road, Near BMC Market, Andheri - West, Mumbai – 400058, Maharashtra, India. The main object of Mahecha Multi Traders Private Limited is to carry on the business of buying selling, reselling, exporting and trading of all kinds of goods finished, semi-finished, raw material items, articles merchandise, articles such as agricultural, industrial, chemical or marine, stones pieces of atrs, antiques, handicrafts, machinery, equipments, capital goods and any other item capable of purchasing, selling, importing, exporting and trading and to be appointed as agents and / or distributors on commission allowance, retainer ship, incentive basis. To act as import export house and to perform all the functions and to undertake all activities connected therewith including obtaining and dealing in licenses, quotas, certificates and other rights. To render consultancy advisory and liasioning services to any company, Corporation, body corporate, industry, firm, association, body of individuals, institution, concern, government, public or local authority, trust, research and development centres or any other person. The CIN No. of the Company is U22219MH2011PTC218012.

Board of Directors:

- Mr Dilip
- Mr Mahipal Singh Mahecha

Interest of our promoter:

Our promoter and promoter group hold 100.00% equity shares of this company.

Capital Structure

Particulars	No. of Shares of ₹ 10 each
Authorised Capital	10,000
Issued, Subscribed and fully paid up	10,000

Shareholding Pattern:

Particulars	No. of Shares	% of Total Shares
SKSS Bharosa Holding Pvt. Ltd.	9,999	99.99%
Surendra Singh	1	0.01%
Total	10,000	100.00%

Financial Information:

The brief financial details of MMTPL derived from its audited financial statements, for Fiscals 2015, 2014 and 2013 are set forth below:

(₹ in lakhs)

Sr. No.	Particulars	As at March 31		
		2015	2014	2013
1	Equity Shares Fully Paid	1.00	1.00	1.00
2	Reserves and Surplus	2.47	1.30	0.64
3	Income including Other Income	9.65	8.43	6.75
4	Profit/ (Loss) After Tax	1.13	0.62	0.41
5	Earnings Per Share	11.29	6.20	4.06
6	Net Asset Value per Share	34.73	23.04	16.44



Other disclosures:

- The equity shares of MMTPL are not listed on any stock exchange;
- MMTPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up.
- No application has been made to RoC for striking off the name of MMTPL
- MMTPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.
- There are no defaults in meeting any statutory /bank/institutional dues. No proceedings have been initialled for economic offences against the Company

4. SUNDHA MATA MOTORS PRIVATE LIMITED (SMMPL)

Corporate Information:

SMMPL was incorporated under the Companies Act, 1956 as Sundha Mata Motors Private Limited on July 12, 2011 in the state of Maharashtra. Its registered office is situated at Shiv Road, Jaisalmer – 345001, Rajasthan, India. The main object of Sundha Mata Motors Private Limited is to carry on in India and abroad the business of buying, selling, reselling, subcontracting, hiring, altering, importing, exporting, improving, assembling, distributing, servicing, repairing, stocking, supplying, leasing, wholesaling, retailing, fabricating, converting, finishing, installing, reconditioning, designing, developing, modifying, processing, cleaning, renovating, job working and to deal in all descriptions, specifications, systems, models, shapes, sizes, dimensions, capacities, applications and uses of trucks, trawlers, tankers, tractors, motor-lorries, motor-cycles, cycle cars, race-cars, scooters, buses, omnibuses, jeeps, defense vehicles, ambulances, tempos, vans, locomotives, tanks, mopeds, motorcars, three wheelers and other vehicles for transporting passenger, goods and animals. The CIN No. of the Company is U50300RJ2011PTC035827

Board of Directors:

- Mr Ram Chandra Singh
- Mr Dinesh Pal Singh Bhati

Interest of our promoter:

Our promoter and promoter group hold 100.00% equity shares of this company.

Capital Structure

Particulars	No. of Shares of ₹ 10 each
Authorised Capital	50,000
Issued, Subscribed and fully paid up	50,000

Shareholding Pattern:

Particulars	No. of Shares	% of Total Shares
Mr. Surendar Singh Bhati	500	1.00%
Mr. Ram Chandra Singh	49000	98.00%
Mr. Dinesh Pal Singh Bhati	500	1.00%
Total	50,000	100.00%

Financial Information:

The brief financial details of SMMPL derived from its audited financial statements, for Fiscals 2015, 2014 and 2013 are set forth below:

(₹ in lakhs)

Sr. No.	Particulars	As at March 31		
		2015	2014	2013
1	Equity Shares Fully Paid	5.00	5.00	5.00
2	Reserves and Surplus	0.52	(0.17)	(0.50)
3	Income including Other Income	9.15	4.89	0.00



Sr. No.	Particulars	As at March 31		
		2015	2014	2013
4	Profit/ (Loss) After Tax	0.64	0.28	(0.18)
5	Earnings Per Share	1.28	0.57	(0.35)
6	Net Asset Value per Share	11.05	9.67	9.00

Other disclosures:

- The equity shares of SMMPL are not listed on any stock exchange;
- SMMPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up.
- No application has been made to RoC for striking off the name of SMMPL
- SMMPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

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

5. MOHAN KRIPA RETAIL PRIVATE LIMITED (MKRPL)

Corporate Information:

MKRPL was initially incorporated under the Companies Act, 1956 as Sai Kripa Gift Management Private Limited on February 4, 2011 in the state of Maharashtra. Its registered office is situated at Unit 903, 9th Floor, Trade World, C Wing, Kamala City, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel Mumbai – 400013, Maharashtra, India. The name of the company was changed to Mohan Kripa Retail Private Limited on March 9, 2016. The main objects Mohan Kripa Retail Private Limited is to carry on in India or elsewhere the business to design, manufacture, produce, prepare, buy, procure, acquire, import, improve upon, alter, manipulate, maintain, prepare for market, handle, assemble, heat, grade, mould, cast, sell, resell, export, operate, dispose of, distribute, transport, store, forward, dispose, consume, repair, supply or otherwise deal in or develop all types, varieties, models, shapes, sizes, specifications, descriptions, diameters, capabilities, application, uses and values of all items. The CIN No. of the Company is U93000MH2011PTC213034

Board of Directors:

- Mr. Ram Chandra Singh
- Mr. Sunil Paliwal

Interest of our promoter:

Our promoter and promoter group hold 100.00% equity shares of this company.

Capital Structure

Particulars	No. of Shares of ₹ 10 each
Authorised Capital	10,000
Issued, Subscribed and fully paid up	10,000

Shareholding Pattern:

Particulars	No. of Shares	% of Total Shares
SKSS Bharosa Holding Pvt. Ltd.	9999	100.00%
Surendra Singh (Nominee Shareholder)	1	0.00%
Total	10,000	100.00%

Financial Information:

The brief financial details of MKRPL derived from its audited financial statements, for Fiscals 2015, 2014 and 2013 are set forth below:



(₹ in lakhs)

Sr. No.	Particulars	As at March 31		
		2015	2014	2013
1	Equity Shares Fully Paid	1.00	1.00	1.00
2	Reserves and Surplus	2.41	1.28	0.61
3	Income including Other Income	8.95	7.58	27.30
4	Profit/ (Loss) After Tax	1.09	0.63	0.40
5	Earnings Per Share	10.88	6.28	4.01
6	Net Asset Value per Share	34.07	22.78	16.09

Other disclosures:

- The equity shares of MKRPL are not listed on any stock exchange;
- MKRPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up.
- No application has been made to RoC for striking off the name of MKRPL
- MKRPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

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

In addition to the above, the following companies are a part of our Group Companies.

Other Unlisted Companies

Sr. No.	Name of the Group Entity & CIN	Date of Incorporation	Brief description of permitted business activities	Interest of our Promoter (Including Promoter Group)
1	SKSS Impex Private Limited CIN: U15122MH2011PTC213435	February 13, 2011	To carry on the business of buying, selling, reselling, exporting, importing, all kinds of goods finished, semi finished, raw material items, merchandise, products such as agricultural, handicrafts, etc.	100%
2	SKSS Foundation CIN: U85300MH2016NPL282089	June 06, 2016	To promote and conduct schools, colleges, social and health programmes, to setup educational institution like school, university, college, academy, to improve the Socio-economic conditions of community environmental conditions by undertaking the various developmental projects , etc.	100%
3	SKSS Bharosa Holding Private Limited CIN: U93030MH2011PTC224899	March 17, 2014	To carry on the business in the respect of providing multi services as registration of trusts, foundations NGO's, projects reports, FCRA registration and Income tax exemptions, patent, trademark, copyright, design, CE mark, import-export licence, ISO. carry on the render consultancy services to architecture, civil engineering, corporate in the fields of management like Human	90.35%



			Resources Services, recruitment, outsourcing, training, contract employment facility, management services, etc To carry on the business advisor to the management of Companies under agreed conditions and terms, subject to the approval of the Government of India and to provide facilities in such management to industries of .	
4	SKSS Technology Private Limited CIN: U31401MH2011PTC218081	May 31, 2011	To carry on in India/ abroad the business of manufacture, trade, supply, of electrical goods.	100%
5	SKSS Traders Pvt. Ltd. CIN: U74120MH2011PTC212791	January 28, 2011	To do in India or elsewhere the business to design, manufacture, produce, prepare, buy ,procure, acquire, import, improve upon, alter, manipulate, maintain, prepare for market, handle, assemble, heat, grade, mould, cast, sell, resale, export, operate, dispose of, distribute, transport, store, forward, dispose, consume, repair supply and otherwise deal in or develop all types, varieties, models, shapes, sizes, specifications, description, diameters, capacities, applications, uses and value of all items.	100%
6	Sai Kripa General Insurance Services Private Limited CIN: U66000MH2011PTC213661	February 17, 2011	To carry on business in respect of providing consultancy services with life, fire, marine, accident, employer's liability, workmen's compensation, disease, sickness, survivorship, burglary and robbery, theft, fidelity and transit insurance and as agents for principals (whether such principals be incorporated or unincorporated) However the company shall not take up / undertake any Insurance, Business falling within the provision of I R D A Regulations.	100%
7	Sai Kripa Media Private Limited CIN: U92412MH2011PTC213035	February 04, 2011	To carry on the business to conduct, organise, manage and run at national and international level all sport of shows, exhibitions, events, programmes for ride, advertise, business seminars, product launch, social gathering, cultural activities or such other events.	100%
8	SKSS Rooms & Stay Pvt. Ltd.	February 15, 2011	To carry on the business of holiday resorts and to run hotels	100%



	CIN: U93030MH2011PTC213565		and restaurants with accommodation, clubs, swimming pools, guest houses. etc To own, construct, run, lease, manage franchise carry on the business of boating club in India and abroad boat lake museum zoo, rope way, garden waterrides and games amusement park shopping center, hotel, motels, holiday resorts, restaurants including fast food restaurants, theme restaurants, cafe, mobile cafeteria, caterers, kiosks, tavern bars, pubs, discotheques, refreshment rooms, lodging and boarding, food vending, clubs and to provide tourism facilities.	
9	Sai Kripa Traveltrip Private Limited CIN: U63090MH2011PTC213461	February 13, 2011	To carry on business as Tourist and travel agent and to organise tours and excursion; whether religious, educational tourist, sightseeing, business or otherwise, whether in India or abroad.	53.99%
10	Cherished Traders Private Limited CIN: U74999MH2013PTC251533	December 01, 2013	To carry on the business in India and abroad as manufacturers, traders, distributors, dealers, exporters, importers, brokers, stockiest & commission agents of branded garments, apparels, textiles, footwear, accessories, fashion jewellery, etc.	100%
11	Skyfall Trading Private Limited CIN: U51102MH2014PTC252757	February 13, 2014	To carry on the business in India and abroad as manufacturers, traders, distributors, dealers, exporters, importers, brokers, stockiest & commission agents of branded garments, apparels, textiles, footwear, accessories, fashion jewellery, etc.	100%
12	Rathore Tradelink Private Limited CIN: U36912MH2011PTC212852	January 31, 2011	To carry on the business of buying, selling, reselling, exporting, importing, all kinds of goods finished, semi finished, raw material items, merchandise, products such as agricultural, handicrafts, etc.	100%
13	USS International Trading PTE Limited CIN: 201527854R	July 02, 2015	To carry on the business of buying, selling, reselling, exporting, importing, all kinds of goods finished, semi finished, raw material items, merchandise, products such as agricultural, handicrafts, etc	100%
14	SKSS International Limited CIN: 2179446	December 10, 2014	To carry on the business of buying, selling, reselling, exporting, importing, all kinds of	100.00%



			goods finished, semi finished, raw material items, merchandise, products such as agricultural, handicrafts, etc	
15	SKSS International Trading LLC CIN: U93000MH2011PLC217441	October 22, 2015	To carry on the business of buying, selling, reselling, exporting, importing, all kinds of goods finished, semi finished, raw material items, merchandise, products such as agricultural, handicrafts, etc.	49.00%

NATURE AND EXTENT OF THE INTEREST OF THE GROUP COMPANIES IN OUR COMPANY

In the promotion of our Company

None of the Group Companies have any interest in the promotion of our Company.

In the properties acquired by our Company

None of the Group Companies have any interest in the properties acquired by our Company.

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

None of the Group Companies have any interest in our Company in relation to transactions for acquisition of land, construction of building and supply of machinery.

Payment of amount or benefits to our Group Companies during the last two years

Except as disclosed in the section “*Financial Information – Annexure XXIII - Related Party Transactions*” beginning on page no. 130 of this Draft Prospectus, no amount or benefits were paid or were intended to be paid to our Group Companies since the incorporation of our Company except to the extent of their shareholding and the dividend payable, if any and other distributions in respect of the Equity Shares held by them

Common Pursuits of our Group Companies

None of our Group Companies are currently engaged in any business similar to ours.

Related business transactions within the Group Companies and its significance on the financial performance of our Company

For details, please see the chapter titled “*Financial Statements- Annexure XXIII - Related Party Transactions*” on page no. 130 of this Draft Prospectus.

Sale/purchase between Group Companies (exceeding 10% in aggregate of the total sales or purchases of our Company)

For details, please see the chapter titled “*Financial Statements- Annexure XXIII - Related Party Transactions*” on page no. 130 of this Draft Prospectus.

Defunct Group Companies

None of the Group Companies are defunct and no application has been made to the registrar of companies for striking off the name of any of the Group Companies during the five years preceding the date of this Draft Prospectus.

Outstanding Litigations

For details relating to the material legal proceedings involving our Group Companies, see the chapter titled “*Outstanding Litigations and Material Developments*” on page no. 147 of this Draft Prospectus.



Other Confirmations

Our Group Companies have further confirmed that they have not been declared as wilful defaulters and there have been no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them except as stated under chapters “Risk Factors”, “Our Group Companies” and “Outstanding Litigations and Material Developments” on page nos.11, 103 and 147 of this Draft Prospectus, respectively. Additionally, none of our Group Companies have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities except as stated under chapters “Risk Factors”, “Our Group Companies” and “Outstanding Litigations and Material Developments” on page nos.11, 103 and 147 of this Draft Prospectus, respectively.



CURRENCY, UNITS OF PRESENTATION AND EXCHANGE RATES

All references to “Rupees”, “Rs.” or “M” 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 AUDITORS ON FINANCIAL STATEMENTS

To,
The Board of Directors,
SKSS Lifestyle Limited
903, 9th floor, Trade World,
C-wing, Kamla City,
Lower Parel (west),
Mumbai – 400013

We have examined Financial Statements and Other Financial Information of SKSS Lifestyle Limited (the 'Company') taking into consideration the terms of reference and terms of our engagement agreed upon with you in connection with the proposed IPO of the Company and the Guidance Note (Revised) on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India.

The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the Draft Prospectus / Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offer ("IPO") of the Company in accordance with the requirements of:

- i. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (hereinafter referred to as the "Act");
- ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the 'SEBI Regulations') and the related clarifications issued by the Securities and Exchange Board of India ('SEBI'); as amended to date;
- iii. We have examined the accompanied 'Restated Statement of Profit and Loss' (**Annexure – II**) for the years ended on 31st March 2016, 2015, 2014, 2013 and 2012 and the 'Restated Statement of 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 standalone financial statements for the period ended on 30th June 2016 and for financial year ended on 31st March 2016, audited by M/s Jagiwala and Co., for the financial years ended on 31st March 2015, 2014, audited by M/s. Bhavik Nathavani and Co., for the financial years ended 31st March 2013 and 2012 audited by M/s Pritam N. Oswal and Associates, Chartered Accountants, being the Statutory Auditors of the Company for the respective years and is re-audited by us for the period ended June 30th 2016 and financial year ended 31st March 2016, approved by the Board of Directors. We did not carry out any validation tests or review procedures of financial statements for aforesaid financial year audited by previous auditors, upon which we have placed our reliance while reporting.
 1. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of SKSS Lifestyle Limited, we, M/s. V. N. Purohit & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
 2. Based on our examination, we further report that:
 - a. The Restated Statement of Assets and Liabilities of the Company as at June 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in **Annexure I** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**..
 - b. The Restated Statement of Profit and Loss of the Company for the period ended June 30' 2016 and financial years ended on March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in **Annexure II** to this



examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV and the Statement of Adjustments to the audited financial statements in Annexure V.

- c. The Restated Statement of Cash Flows of the Company for the period ended June 30, 2016 and the financial years ended March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in **Annexure III** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.
- d. The Restated Financial Statements have been made after incorporating adjustments for :
- The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
 - Prior period and other material amounts in the respective financial years to which they relate.

Which are stated in the Notes to Accounts as set out in **Annexure V**:

- e. Such Financial statements do not require any corrective adjustments on account of :
- Other remarks/comments in the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (4A) of section 227 of the act, on financial statements of the company as at and for the period ended June 30, 2016 and for the financial years ended March 31, 2016, 2015, 2014, 2013, and 2012
 - Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.

3. At the request of the company, we have also examined the following financial information("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

- Schedule of Share Capital (Annexure - VI)
- Schedule of Reserves & Surplus (Annexure - VII)
- Schedule of Fixed Assets (Annexure - VIII)
- Schedule of Non Current Investments (Annexure – IX)
- Schedule of Long term Loans and Advances (Annexure – X)
- Statement of Other Non Current Assets (Annexure – XI)
- Statement of Inventories (Annexure – XII)
- Statement of Trade Receivables (Annexure - XIII)
- Details of Short Term Loans and Advances (Annexure – XIV)
- Statement of Other Current Assets (Annexure –XV)
- Schedule of Long Term Borrowings (Annexure – XVI)
- Schedule of Short Term Borrowings (Annexure – XVII)
- Statement of Trade Payables (Annexure – XVIII)
- Schedule of Other Current Liabilities (Annexure – XIX)
- Schedule of Short Term Provisions (Annexure – XX)
- Schedule of Revenue from Operations (Annexure – XXI)
- Schedule of Other Income (Annexure – XXII)
- Schedule of Related Party Transactions (Annexure – XXIII)
- Capitalization Statement (Annexure – XXIV)
- Schedule of Contingent Liability (Annexure – XXV)
- Summary of Accounting Ratios (Annexure – XXVI)
- Statement of Tax Shelter (Annexure – XXVII)

4. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXV read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013 and the SEBI Regulations and the Guidance



Note on the reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

5. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.
6. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
7. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For M/s. V.N. PUROHIT & CO,
Chartered Accountants
(Firm Registration No. 304040E)

O.P. Pareek
Partner
Membership No: 014238

Place: Mumbai
Date: 09/11/2016



Annexure I
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
EQUITY AND LIABILITIES						
Shareholder's fund						
a) Equity Share Capital	185.00	150.00	135.00	10.00	10.00	10.00
b) Reserves and surplus	218.35	112.98	45.70	12.93	0.26	0.13
Total Shareholders Fund (Net of revaluation reserve)	403.35	262.98	180.70	22.93	10.26	10.13
Non-current liabilities						
a) Long Term Borrowings	390.98	337.67	-	-	-	-
b) Deferred Tax Liabilities	2.03	1.89	-	-	-	-
Total	393.01	339.56	-	-	-	-
Current liabilities						
a) Short-term borrowings	479.91	482.64	32.75	94.63	0.36	0.30
b) Trade payables	1,139.05	301.72	718.32	882.21	-	-
c) Other Current Liabilities	39.93	43.23	-	-	-	-
c) Short-term provisions	51.69	34.67	32.98	14.97	0.28	0.12
Total	1,710.59	862.25	784.05	991.81	0.65	0.42
TOTAL	2,506.95	1,464.79	964.75	1,014.74	10.91	10.56
			.			
ASSETS						
Non - Current Assets						
a) Fixed Assets						
i.) Tangible assets	85.16	84.41	11.79	0.71	-	-
ii) Intangible assets	0.41	-	-	-	-	-
Gross Block	85.57	84.41	11.79	0.71	-	-
Less Depreciation	6.22	3.50	1.25	0.05	-	-
Net Block	79.35	80.91	10.55	0.66	-	-
b) Non- Current Investments	0.15	0.15	-	-	-	-
c) Long term Loans & Advances	13.20	13.20	-	-	10.00	10.00
d) Other Non-Current Assets	5.82	4.19	-	-	-	0.16
Total	98.51	98.44	10.55	0.66	10.00	10.16
Current Assets						
a) Inventories	487.12	475.63	109.60	-	-	-
b) Trade Receivables	1,911.95	882.59	828.80	999.82	-	-
c) Cash and Cash equivalents	5.08	5.88	7.72	1.37	0.85	0.39
d) Short-term loans and advances		-	8.09	12.89	-	-
e) Other current assets	4.28	2.24	-	-	0.06	-
Total	2,408.43	1,366.35	954.21	1,014.08	0.91	0.39
TOTAL	2,506.95	1,464.79	964.75	1,014.74	10.91	10.56



Annexure II
STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
INCOME:						
Revenue from Operations(Net)	1,174.32	3,682.37	2,285.92	916.27	1.02	0.45
Other Income	0.00	40.87	17.10	-	-	-
Total income	1,174.32	3,723.24	2,303.01	916.27	1.02	0.45
EXPENSES:						
Purchase of stock-in-trade	1,105.41	3,892.87	2,324.27	856.16	-	-
Changes in inventories of finished goods	(11.49)	(366.03)	(109.60)	-	-	-
Employee benefits expense	12.15	32.26	20.39	9.53	0.39	-
Finance cost	14.71	2.83	-	-	-	0.01
Depreciation and amortization expense	2.72	2.69	1.19	0.05	-	-
Administration and other expenses	14.11	56.28	19.33	32.18	0.23	0.25
Total expenses	1,137.61	3,620.89	2,255.59	897.93	0.62	0.26
Net Profit / (Loss) before Tax	36.71	102.35	47.43	18.33	0.40	0.19
Less: Tax expense						
Current tax	11.20	29.75	14.65	5.67	0.15	0.06
Deferred tax	0.14	1.89	-	-	-	-
Total Tax Expense	11.34	31.64	14.65	5.67	0.15	0.06
Net Profit / (Loss) after tax	25.37	70.71	32.77	12.67	0.25	0.13



Annexure III
CASH FLOW STATEMENT, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Cash Flow From Operating Activities						
Net Profit Before Tax	36.71	102.35	47.43	18.33	0.40	0.20
Adjustments for :						
Depreciation/Amortisation	2.72	2.69	1.19	0.05	-	-
Finance Cost	14.71	2.83	-	-	-	0.01
Operating Profit Before Working Capital Changes	54.14	110.69	48.62	18.39	0.40	0.20
Adjusted for (Increase)/ Decrease:						
Trade Receivables	(1,029.36)	(53.79)	171.02	(999.82)	-	-
Inventories	(11.49)	(366.03)	(109.60)	-	-	-
Short Term Loans and Advances	-	8.09	4.80	(12.89)	-	-
Other Current Assets	(2.03)	(2.24)	-	0.06	(0.06)	-
Trade Payables	873.33	(419.43)	(163.88)	882.21	-	-
Other Current Liabilities	(3.29)	43.23	-	-	-	-
Short Term Provisions	5.82	(11.40)	3.35	9.02	0.02	0.06
Cash Flow Generated from Operations	(148.88)	(690.89)	(45.70)	(103.03)	0.36	0.26
Less: Direct Tax paid	-	20.53	-	-	-	-
Net Cash flow from/(used in) Operating Activities (A)	(148.88)	(711.42)	(45.70)	(103.03)	0.36	0.26
Cash Flow From Investing Activities						
Purchase of Fixed Assets	(1.16)	(71.61)	(11.08)	(0.71)	-	-
Investment in Shares	-	(0.15)	-	-	-	-
Net Cash Flow from Investing Activities (B)	(1.16)	(72.76)	(11.08)	(0.71)	-	-
Cash Flow From Financing Activities						
Proceeds From Share Capital	35.00	15.00	125.00	-	-	9.00
Proceeds From Securities Premium	80.00	-	-	-	-	-
Increase/(Decrease) of Long Term Borrowing	53.31	337.67	-	-	-	-
Increase/(Decrease) of Short Term Borrowing	(2.73)	449.89	(61.88)	94.27	(0.06)	-
Increase/ (Decrease) of Long Term Loans & Advances	-	(13.20)	-	10.00	-	(9.00)
(Increase) / Decrease in Non Current Assets	(1.63)	(4.19)	-	-	0.16	0.04
Finance Cost	(14.71)	(2.83)	-	-	-	(0.01)
Net Cash Flow from Financing Activities (C)	149.24	782.34	63.12	104.27	0.10	0.03
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	(0.80)	(1.83)	6.34	0.52	0.46	0.29
Cash & Cash equivalent at the beginning of the year	5.88	7.72	1.37	0.85	0.39	0.10
Cash & Cash Equivalent at the end of the year	5.08	5.88	7.72	1.37	0.85	0.39



Annexure IV

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

- (a) The financial statements are prepared under the historical cost convention, on accrual basis of accounting and in conformity with the accounting principles generally accepted in India.
- (b) The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards notified under Provisions of the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013.
- (c) The Company follows mercantile system of accounting and recognises income and expenditure on an accrual basis except those with significant uncertainties and pointed out specifically in notes forms part of accounts.
- (d) The accounting policies applied by the Company are consistent with those used in the previous year.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the reported period. Estimates and assumptions used in the preparation of the financial statements are based on management's evaluation of the relevant facts and circumstances as of date of the Financial Statements, which may differ from the actual results at a subsequent date.

3. Fixed Assets

Fixed assets are stated at original cost of acquisition/installation less accumulated depreciation. Cost comprises the purchase price and any other attributable cost of bringing the asset to its location and working condition for its intended use. Financing costs relating to acquisition of qualifying fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use. Adjustments arising from exchange rate variations relating to borrowings attributable to fixed assets are also capitalized. Subsequent expenditure, which substantially enhances the previously assessed standard of performance of the assets, is added to the carrying value. Cenvat / other credits availed will be deducted from the cost of respective assets.

4. Depreciation and Amortisation

Depreciation on all fixed assets is provided on straight line method over the remaining useful life of the asset in the manner and at the rates specified in Schedule-II to the Companies Act, 2013.

5. Investments

Investments are recorded on readily realizable and intended to be held for not more than a year by classifying as Current Investments. All other investments are classified as Long Term Investments.

- (a) Current Investments are carried at lower of cost and fair value determined on an individual investment basis; and
- (b) Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

6. Inventories

- (a) Raw Materials, Stores & Spares are valued at Cost or Market Value whichever less is.
- (b) Work in process is Valued at Cost. Cost is arrived at by absorption cost method.
- (c) Finished goods are valued at Cost or Market Value whichever less is. Cost is arrived at by absorption cost method.



7. Revenue Recognition

- (a) Income from, Sale of Goods is recognized when the significant risks and rewards of ownership of the goods have passed to the customer which generally coincides with their delivery to customers. Sales are stated net of Duties and taxes. Income from, Sale of Services is recognized when the service is provided to the customer.
- (b) Expenses are accounted for on accrual basis and provision is made for all known losses & expenses.

8. Research and Development:

Revenue Expenditure on Research and Development is charged to the Statement of Profit and Loss for the year. Capital Expenditure on Research and Development is included as part of fixed assets and depreciation is provided on the same basis as for other fixed assets.

9. Borrowing Costs

Borrowing costs are charged to Profit and Loss account, except in cases where the borrowings are directly attributable to the acquisition, construction or production of a qualifying asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

10. Employee Benefits

- (a) Defined Contribution Plans: The Company's contributions paid / payable during the year to Provident Fund, Superannuation Fund are recognised in the Profit and Loss Account.
- (b) Defined Benefit Plan: The Company's liabilities towards gratuity and leave encashment are determined on actuarial basis using the projected unit credit method, which consider each period of service as giving rise to an additional unit of benefit and measure each unit separately to build up the final obligation. Past services are recognised on straight-line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss Account as income or expense. Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

11. Lease

Lease Payments are recognised as an expense in the Statement of Profit and Loss of the year to which they relate.

12. Foreign Currency Transactions

- (c) Transactions in foreign currency are recorded at the rates prevailing on the date of the transaction.
- (d) Monetary foreign currency assets and liabilities outstanding as at the year-end are restated at the exchange rates prevailing as at the close of the financial year or forward cover exchange rate as applicable.
- (e) Exchange difference arising due to repayment and translation of long-term loans relating to acquisition of fixed assets are treated as adjustments to the carrying cost of such fixed assets. Exchange differences arising on forward exchange contracts are recognised over the period of the contract and are classified as part of the underlying transaction in the profit and loss account. All other exchange differences are accounted for in the profit and loss account.

13. Prior Period Items

Prior period expenses are disclosed separately in the Profit and Loss Account.

14. Income Tax

- (a) Provision for tax is made for both current and deferred taxes. Provision for current income tax is measured based on the amount expected to be paid to the taxation authorities using the applicable tax rates and tax laws.



- (b) The Company uses the asset and liability method of accounting for deferred income taxes. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities, as measured by the enacted/substantially enacted tax rates which will be in effect when those temporary differences are expected to be recovered or settled. Deferred tax expense/income is the result of changes in the net deferred tax assets and liabilities.
- (c) The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance of any tax benefits of which future realizations are uncertain.

15. Earnings Per Share

The Company reports Basic and Diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 on Earnings per Share. Basic Earnings per Equity Share are computed by dividing net income by the weighted average number of equity shares outstanding for the period. Diluted Earnings per Equity Share are computed by dividing net income by the weighted average number of equity shares adjusted for the effects of all dilutive potential equity shares.

16. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a Cash Outflow will be required and a reliable estimate can be made of the amount of the obligation.

Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a Cash Outflow will not be required to settle the obligation.

17. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of net selling price of an assets or its value in use. Value in use is present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

18. Intangible Assets

Intangible Assets are stated at their cost of acquisition, less accumulated amortization and impairment losses thereon. An Intangible Asset is recognised, where it is probable that the future economic benefits attributable to the Asset will flow to the enterprise and where its cost can be reliably measured.

Annexure V

NOTES TO ACCOUNTS

1. Managerial Remuneration

(₹ in lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Salaries and Allowances	6.30	22.00	16.70	2.00	-	-
Other Fees	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-

2. Deferred Tax

Deferred Tax liability on account of timing difference between taxable income and accounting income for the year is accounted for by applying the tax rates and laws enacted or substantially enacted as of the balance sheet date. Deferred Tax Assets are recognized only to the extent of virtual certainty of its realization or adjustment against deferred tax liability.



The company has accounted for Income Tax in compliance with the accounting standards relating "Accounting' for Taxes on Income" (AS-22) issued by the Institute of Chartered Accountants of India.

(₹in lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Deferred tax (liabilities) arising on account of timing difference in:						
Opening Balance	-	-	-	-	-	-
Carried Forward Loss	-	-	-	-	-	-
Depreciation	0.14	1.89	-	-	-	-
Total (a)	0.14	1.89	-	-	-	-
Deferred tax (assets) arising on account of timing difference in:						
Opening Balance	-	-	-	-	-	-
Carried Forward Loss	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Total (b)	-	-	-	-	-	-
Total (a + b)	0.14	1.89	-	-	-	-

3. Remuneration to Statutory Auditors:

(₹in lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Statutory Audit Fees	-	0.90	0.25	0.20	0.06	0.06
Tax Audit Fees	-	-	-	-	-	-
Total	-	0.90	0.25	0.20	0.06	0.06

- 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 yearend together with interest payable as required under the said Act have not been furnished.
- 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.
- Previous year figures have been re-grouped and reclassified wherever necessary to confirm to the current year classification.

7. Information regarding Foreign Exchange earnings and expenditure:

(₹in lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Earning in Foreign Exchange	-	528.16	-	-	-	-
Expenditure in Foreign Exchange	-	-	-	-	-	-

ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

There are no restatement in the Statement of Profit and Loss as per the audited financial statements for the Period ended June 30, 2016, year ended March 31, 2016, 2015, 2014, 2013, and 2012.

Adjustments not having impact on profit

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended)



Regrouping done in Balance Sheet – Assets

F.Y 2011-12

Certain items of Assets were classified as Cash and Bank Balances. The same have been restated to conform to latest accounting treatment i.e. included as Long term Loans and Advances. Accordingly, the balance of Cash and Bank Balances and Long term Loans and Advances have been restated.

(₹in lakhs)

Particulars	For the period ended June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Cash and Bank Balances as per audited Financial Statements	5.08	5.88	7.72	1.37	0.86	9.39
Less: Amount reclassified Long term Loans and Advances	-	-	-	-	-	9.00
Cash and Bank Balances as per Restated Financial Statements	5.08	5.88	7.72	1.37	0.86	0.39

Annexure VI

STATEMENT OF SHARE CAPITAL, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Authorised Share Capital :						
1,00,000 Equity Shares of ₹ 10/- each	-	-	-	10.00	10.00	10.00
15,00,000 Equity Shares of ₹ 10/- each	-	-	150.00	-	-	-
40,00,000 Equity Shares of ₹ 10/- each	400.00	400.00	-	-	-	-
Total	400.00	400.00	150.00	10.00	10.00	10.00
Issued Subscribed and Paid Up Capital :						
Equity Shares of ₹ 10/- each (Fully/Partly Paid Shares)	185.00	150.00	135.00	10.00	10.00	10.00
Total	185.00	150.00	135.00	10.00	10.00	10.00

Reconciliation of number of shares outstanding:

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Equity Shares						
At the beginning of the period	15,00,000	13,50,000	100,000	100,000	100,000	10,000
Addition during the period	10,00,000	1,50,000	12,50,000	-	-	90,000
Outstanding at the end of the period	25,00,000	15,00,000	13,50,000	100,000	100,000	100,000

Annexure VII

STATEMENT OF RESERVES AND SURPLUS

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Profit & Loss A/c						
Balance as at the beginning of the year	112.98	45.70	12.93	0.26	0.13	-
Add : Profit/(Loss) for the year transferred to reserves	25.37	70.71	32.77	12.67	0.13	0.13
Less: Short provision	-	3.87	-	-	-	-
Add: Profit due to change in method of Depreciation	-	0.43	-	-	-	-
Balance as at the end of the year	138.35	112.98	45.70	12.93	0.26	0.13
Security Premium						
Balance as at the beginning of the year	-	-	-	-	-	-



Additions during the year	80.00	-	-	-	-	-
Utilised during the year	-	-	-	-	-	-
Balance as at the end of the year	80.00	-	-	-	-	-
Total	218.35	112.98	45.70	12.93	0.26	0.13

Annexure VIII
STATEMENT OF FIXED ASSETS, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Furniture & Fixture						
Opening Balance	20.12	10.64	-	-	-	-
Addition during the year	-	11.57	10.64	-	-	-
Reduction during the year	-	-	-	-	-	-
Accumulated Depreciation	2.61	2.08	1.03	-	-	-
Closing Balance	19.60	20.12	9.61	-	-	-
Plant & Machinery						
Opening Balance	2.62	1.16	-	-	-	-
Addition during the year	-	1.46	-	-	-	-
Reduction during the year	-	-	-	-	-	-
Accumulated Depreciation	0.81	0.68	-	-	-	-
Closing Balance	1.82	1.94	-	-	-	-
Vehicles						
Opening Balance	55.06	-	-	-	-	-
Addition during the year	-	55.06	-	-	-	-
Reduction during the year	-	-	-	-	-	-
Accumulated Depreciation	1.65	0.02	-	-	-	-
Closing Balance	53.41	55.04	-	-	-	-
Computer & Printers						
Opening Balance	4.52	-	-	-	-	-
Addition during the year	0.75	4.52	-	-	-	-
Reduction during the year	-	-	-	-	-	-
Accumulated Depreciation	1.13	0.72	-	-	-	-
Closing Balance	4.14	3.80	-	-	-	-
Computer Software						
Opening Balance	-	-	-	-	-	-
Addition during the year	0.41	-	-	-	-	-
Reduction during the year	-	-	-	-	-	-
Accumulated Depreciation	0.03	-	-	-	-	-
Closing Balance	0.39	-	-	-	-	-
Tangible Gross Block	85.16	84.41	11.79	0.71	-	-
Intangible Gross Block	0.41	-	-	-	-	-
Total Accumulated Depreciation	6.22	3.50	1.25	0.05	-	-
Net Block	79.35	80.91	10.55	0.66	-	-



Annexure IX
STATEMENT OF NON CURRENT INVESTMENTS, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Investment in shares and bonds	0.15	0.15	-	-	-	-
Total	0.15	0.15	-	-	-	-

Annexure X
STATEMENT OF LONG TERM LOANS AND ADVANCES, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Unsecured, Considered Good:						
Advances given	-	-	-	-	10.00	10.00
Security Deposit	13.20	13.20	-	-	-	-
Total	13.20	13.20	-	-	10.00	10.00

Annexure XI
STATEMENT OF OTHER NON-CURRENT ASSETS, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Preliminary Expenses	5.82	4.19	-	-	-	0.16
Total	5.82	4.19	-	-	-	0.16

Annexure XII
STATEMENT OF INVENTORIES, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Closing inventories of finished goods	487.12	475.63	109.60	-	-	-
Total	487.12	475.63	109.60	-	-	-

Annexure XIII
STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Unsecured, Considered Good						
Less than six months	1,911.95	882.59	828.80	999.82	-	-
More than six months	-	-	-	-	-	-
Total	1,911.95	882.59	828.80	999.82	-	-

Annexure XIV
STATEMENT OF SHORT TERM LOANS AND ADVANCES, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Deposits	-	-	4.26	0.06	-	-
Advances to related parties	-	-	3.83	12.83	-	-
Total	-	-	8.09	12.89	-	-



Annexure XV
STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Vat Receivable	2.09	2.09	-	-	-	-
Self Assessment tax paid(2011-12)	-	-	-	-	0.06	-
Prepaid expenses	2.19	0.15	-	-	-	-
Total	4.28	2.24	-	-	0.06	-

Annexure XVI
STATEMENT OF LONG TERM BORROWINGS, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Secured Loans						
Vehicle Loans ⁽¹⁾	34.55	37.07	-	-	-	-
Total (a)	34.55	37.07	-	-	-	-
Unsecured Loans						
Loan from Directors, Relatives & Shareholders	356.43	300.60	-	-	-	-
Total (b)	356.43	300.60	-	-	-	-
Total (a+ b)	390.98	337.67	-	-	-	-

⁽¹⁾The aforesaid loan is repayable in 60 equal monthly instalments, and is hypothecated against vehicle.

Annexure XVII
STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Secured Loans						
From Bank – Cash Credit Facility ⁽¹⁾	448.81	451.54				
Unsecured Loans						
Loan from related parties	-	-	32.75	19.38	0.36	0.30
Loan from Others(Inter Corporate Loan)	31.10	31.10	-	75.25	-	-
Total	479.91	482.64	32.75	94.63	0.36	0.30

⁽¹⁾ The cash credit facility from Allahabad Bank is secured by way of a charge over Stock and Debtors of the company.

Annexure XVIII
STATEMENT OF TRADE PAYABLES, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Unsecured, considered good						
Sundry Creditors	1,139.05	301.72	718.32	882.21	-	-
Total	1,139.05	301.72	718.32	882.21	-	-

Annexure XIX
STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Current maturities of long term debt	7.09	6.36	-	-	-	-
Other Payables	32.84	36.87	-	-	-	-
Total	39.93	43.23	-	-	-	-



Annexure XX
STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Provision for Income Tax	40.95	29.75	14.65	5.87	0.21	0.06
Others	10.74	4.92	18.32	6.90	-	-
Total	51.69	34.67	32.98	14.97	0.28	0.12

Annexure XXI
STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Revenue from Operations						
Sale of Goods	1,174.32	3,682.37	2,285.92	916.27	1.02	0.45
Total	1,174.32	3,682.37	2,285.92	916.27	1.02	0.45

Annexure XXII
STATEMENT OF OTHER INCOME, AS RESTATED

(₹in Lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Non – Recurring Other Income						
Commission Received	-	40.51	16.64	-	-	-
Interest income	-	0.36	0.46	-	-	-
Total	-	40.87	17.10	-	-	-

Annexure XXIII
STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel & Relatives

As at June 30, 2016	For the year ended March 31,				
	2016	2015	2014	2013	2012
Surendra Hindu Singh Bhati	Surendra Hindu Singh Bhati	Surendra Hindu Singh Bhati	Surendra Hindu Singh Bhati	Surendra Hindu Singh Bhati	Surendra Hindu Singh Bhati
Ravindrapal Singh Leelawat	Ravindrapal Singh Leelawat	Ravindrapal Singh Leelawat	-	-	-
Sohan Kanwar	Sohan Kanwar	-	-	-	-
Hindu Singh Bhati	Hindu Singh Bhati	-	-	-	-

(ii) Associates / Enterprises over which directors and / or their relatives has significant influence

As at June 30, 2016	For the year ended March 31,				
	2016	2015	2014	2013	2012
Sai Kripa Holidays and Resorts Pvt Ltd	Sai Kripa Holidays and Resorts Pvt Ltd	Sai Kripa Holidays and Resorts Pvt Ltd	Sai Kripa Holidays and Resorts Pvt Ltd	Sai Kripa Holidays and Resorts Pvt Ltd	Sai Kripa Holidays and Resorts Pvt Ltd
Sai Kripa Credit Co-op Society Ltd	Sai Kripa Credit Co-op Society Ltd	Sai Kripa Credit Co-op Society Ltd	Sai Kripa Credit Co-op Society Ltd	Sai Kripa Credit Co-op Society Ltd	Sai Kripa Credit Co-op Society Ltd



SKSS Holding	SKSS Holding	SKSS Holding	SKSS Holding	-	-
SKSS Management Service Pvt Ltd	SKSS Management Service Pvt Ltd	SKSS Management Service Pvt Ltd	SKSS Management Service Pvt Ltd	-	-
Mohan Kripa Credit Society Ltd	Mohan Kripa Credit Society Ltd	Mohan Kripa Credit Society Ltd	Mohan Kripa Credit Society Ltd		
SKSS Texon Ltd	SKSS Consultancy Ltd	SKSS Consultancy Ltd	SKSS Bharosa Management Consultancy Ltd	-	-

(iii) Particulars of Transactions with Related Parties

Key Management Personnel & Relatives

(₹in lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
1) Finance						
Loan Taken	13.05	271.87	54.61	16.61	0.36	0.30
Repayment of Loan taken	139.62	7.52	26.92	11.91	-	-
2) Expenses						
Remuneration	6.30	22.00	16.70	2.00	-	-

Associates / Enterprises over which directors and / or their relatives has significant influence

(₹in lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
1) Advances						
Loan given	-	-	-	47.53	10.00	10.00
Loan repaid	-	-	-	44.70	-	-
2) Income						
Rent Received	-	-	-	-	-	-
3) Finance						
Loan Taken	-	34.10	38.00	54.14	-	-
Repayment of Loan taken	-	3.00	91.84	0.30	-	-
Advance / Deposits accepted	-	15.00	89.27	49.50	-	-
4) Others						
Security Deposit	-	9.60	-	-	-	-

Annexure XXIV

STATEMENT OF CAPITALIZATION

(₹in lakhs)

Particular	Pre Issue (as at June 30, 2016)	Post Issue
Debt		
Long Term Debt	390.98	390.98
Short Term Debt	479.91	479.91
Total Debts (A)	870.89	870.89
Equity (Shareholder's funds)		
Equity share capital	185.00	301.00
Reserve and Surplus	218.34	508.34
Total Equity (B)	403.34	809.34
Long Term Debt / Equity Shareholder's funds	0.97	0.48



Total Debts / Equity Shareholder's funds	2.16	1.08
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Note:

1. The above has been computed on the basis of Restated Financials of the Company.

Annexure XXV

STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹in lakhs)

Particulars	As at June 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
NIL		-	-	-	-	-
Total		-	-	-	-	-

Annexure XXVI

STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹in Lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Restated PAT as per P & L Account	25.37	70.71	32.77	12.67	0.25	0.14
Actual number of shares outstanding at the end of period	25,00,000	15,00,000	13,50,000	100,000	100,000	100,000
Weighted Average Number of Equity Shares at the end of the period	16,72,456	15,10,597	172,455	118,064	118,064	12,968
Reserves and Surplus	218.34	112.98	45.72	12.94	0.27	0.14
Net Worth	468.34	262.98	180.72	22.94	10.27	10.14
Earnings Per Share						
Basic and Diluted	1.52	4.68	19.00	10.73	0.21	1.08
Return on Net Worth (%)	5.42%	26.89%	18.14%	55.23%	2.46%	1.38%
Net Asset Value Per Share (₹)	18.73	17.53	13.39	22.94	10.27	10.14
Nominal Value per Equity Share (₹)	10.00	10.00	10.00	10.00	10.00	10.00

Notes on Accounting Ratios:

- Earnings Per Share (₹) = (Restated PAT as per P & L Account/ Weighted Average Number of Equity Shares at the end of the Year).
- Return on Net Worth (%) = Restated PAT as per P & L Account/ Net Worth - Restated * 100.
- Net Asset Value Per Share (₹) = Net Worth- Restated/ Number of Equity Shares at the end of the Year.

Annexure XXVII

STATEMENT OF TAX SHELTER

(₹in Lakhs)

Particulars	As at June 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Normal Corporate tax rates (%)	30.9%	30.9%	30.9%	30.9%	30.9%	30.9%
Minimum alternative tax rates	18.5%	18.5%	18.5%	18.5%	18.5%	18.5%
Profit before tax as per Restated P/L	36.71	102.35	47.43	18.33	0.40	0.20
Applicable Corporate tax Rate	30.9%	30.9%	30.9%	30.9%	30.9%	30.9%
Notional tax as per tax rate on profits (A)	11.34	31.63	14.65	5.67	0.12	0.06
Tax Adjustment						
Permanent Difference						
Income Exempt from Income Tax	-	-	-	-	-	-
Income Exempt from Income Tax u/s 10B	-	-	-	-	-	-
Disallowance as per section 43B / 14A	-	-	-	-	-	-
(Profit)/ Loss on Sale of Fixed Assets	-	-	-	-	-	-
Income Considered under other Heads	-	-	-	-	-	-



of Income						
Total Permanent Difference (B)	-	-	-	-	-	-
Timing Difference						
Difference in Depreciation as Per Books and Income Tax Act	(0.30)	(5.66)	-	-	-	-
Difference in Amortization Expenses as Per Books and Income Tax Act	(0.16)	(0.46)	-	-	-	-
Provision for Leave Encashment	-	-	-	-	-	-
Total Timing Difference (C)	(0.46)	(6.12)	-	-	-	-
Business Losses not set off in past years (D)	-	-	-	-	-	-
Total Adjustment (E) = (B+C+D)	(0.46)	(6.12)	-	-	-	-
Tax Expenses / (Saving) thereon (F) = (E)* Tax rate	(0.14)	(1.89)	-	-	-	-
Income From Other Sources (G)	-	-	-	-	-	-
Taxable Income / (Loss) H = (A+E+G)	36.25	96.23	47.43	18.33	0.40	0.20
Tax Rate as per normal provisions	30.9%	30.9%	30.9%	30.9%	30.9%	30.9%
Tax payable as per normal provisions (other than 115JB) of the Act (G)	11.20	29.74	14.65	5.67	0.12	0.06
Taxable income as per MAT	36.25	96.23	47.43	18.33	0.40	0.20
MAT tax rate (H)	18.5%	18.5%	18.5%	18.5%	18.5%	18.5%
Tax under MAT (I)	6.71	17.80	8.77	3.39	0.07	0.04
Tax payable for the year maximum of (G) or (I)	11.20	29.74	14.65	5.67	0.12	0.06
Interest as per Income tax	0.00	3.58	1.77	2.09	0.03	0.00
Total Tax as per Return	11.20	33.32	16.42	7.76	0.15	0.06

Notes:

1. The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Profit and Loss Account.

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There has been no change in the Accounting Policies in the last three (3) years except change in method of Depreciation from WDV to SLM as per the Schedule II of the Companies Act, 2013.

CHANGES IN ACCOUNTING PERIOD

There has been no change in the accounting period of the Company.



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.

SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

- (a) The financial statements are prepared under the historical cost convention, on accrual basis of accounting and in conformity with the accounting principles generally accepted in India.
- (b) The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards notified under Provisions of the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013.
- (c) The Company follows mercantile system of accounting and recognises income and expenditure on an accrual basis except those with significant uncertainties and pointed out specifically in notes forms part of accounts.
- (d) The accounting policies applied by the Company are consistent with those used in the previous year.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the reported period. Estimates and assumptions used in the preparation of the financial statements are based on management's evaluation of the relevant facts and circumstances as of date of the Financial Statements, which may differ from the actual results at a subsequent date.

(c) Fixed Assets

Fixed assets are stated at original cost of acquisition/installation less accumulated depreciation. Cost comprises the purchase price and any other attributable cost of bringing the asset to its location and working condition for its intended use. Financing costs relating to acquisition of qualifying fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use. Adjustments arising from exchange rate variations relating to borrowings attributable to fixed assets are also capitalized. Subsequent expenditure, which substantially enhances the previously assessed standard of performance of the assets, is added to the carrying value. Cenvat / other credits availed will be deducted from the cost of respective assets.

(d) Depreciation and Amortisation

Depreciation on all fixed assets is provided on straight line method over the remaining useful life of the asset in the manner and at the rates specified in Schedule-II to the Companies Act, 2013.

(e) Investments

Investments are recorded on readily realizable and intended to be held for not more than a year by classifying as Current Investments. All other investments are classified as Long Term Investments.



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- (a) Current Investments are carried at lower of cost and fair value determined on an individual investment basis; and
 - (b) Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

(f) Inventories

- (a) Raw Materials, Stores & Spares are valued at Cost or Market Value whichever less is.
- (b) Work in process is Valued at Cost. Cost is arrived at by absorption cost method.
- (c) Finished goods are valued at Cost or Market Value whichever less is. Cost is arrived at by absorption cost method.

(g) Revenue Recognition

- (a) Income from, Sale of Goods is recognized when the significant risks and rewards of ownership of the goods have passed to the customer which generally coincides with their delivery to customers. Sales are stated net of Duties and taxes. Income from, Sale of Services is recognized when the service is provided to the customer.
- (b) Expenses are accounted for on accrual basis and provision is made for all known losses & expenses.

(h) Research and Development:

Revenue Expenditure on Research and Development is charged to the Statement of Profit and Loss for the year. Capital Expenditure on Research and Development is included as part of fixed assets and depreciation is provided on the same basis as for other fixed assets.

(i) Borrowing Costs

Borrowing costs are charged to Profit and Loss account, except in cases where the borrowings are directly attributable to the acquisition, construction or production of a qualifying asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

(j) Employee Benefits

- (a) Defined Contribution Plans: The Company's contributions paid / payable during the year to Provident Fund, Superannuation Fund are recognised in the Profit and Loss Account.
- (b) Defined Benefit Plan: The Company's liabilities towards gratuity and leave encashment are determined on actuarial basis using the projected unit credit method, which consider each period of service as giving rise to an additional unit of benefit and measure each unit separately to build up the final obligation. Past services are recognised on straight-line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss Account as income or expense. Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

(k) Lease

Lease Payments are recognised as an expense in the Statement of Profit and Loss of the year to which they relate.

(l) Foreign Currency Transactions

- (a) Transactions in foreign currency are recorded at the rates prevailing on the date of the transaction.
- (b) Monetary foreign currency assets and liabilities outstanding as at the year-end are restated at the exchange rates prevailing as at the close of the financial year or forward cover exchange rate as applicable.



- (c) Exchange difference arising due to repayment and translation of long-term loans relating to acquisition of fixed assets are treated as adjustments to the carrying cost of such fixed assets. Exchange differences arising on forward exchange contracts are recognised over the period of the contract and are classified as part of the underlying transaction in the profit and loss account. All other exchange differences are accounted for in the profit and loss account.

(m) Prior Period Items

Prior period expenses are disclosed separately in the Profit and Loss Account.

(n) Income Tax

- (a) Provision for tax is made for both current and deferred taxes. Provision for current income tax is measured based on the amount expected to be paid to the taxation authorities using the applicable tax rates and tax laws.
- (b) The Company uses the asset and liability method of accounting for deferred income taxes. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities, as measured by the enacted/substantially enacted tax rates which will be in effect when those temporary differences are expected to be recovered or settled. Deferred tax expense/income is the result of changes in the net deferred tax assets and liabilities.
- (c) The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance of any tax benefits of which future realizations are uncertain.

(o) Earnings Per Share

The Company reports Basic and Diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 on Earnings per Share. Basic Earnings per Equity Share are computed by dividing net income by the weighted average number of equity shares outstanding for the period. Diluted Earnings per Equity Share are computed by dividing net income by the weighted average number of equity shares adjusted for the effects of all dilutive potential equity shares.

(p) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a Cash Outflow will be required and a reliable estimate can be made of the amount of the obligation.

Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a Cash Outflow will not be required to settle the obligation.

(q) Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of net selling price of an assets or its value in use. Value in use is present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

(r) Intangible Assets

Intangible Assets are stated at their cost of acquisition, less accumulated amortization and impairment losses thereon. An Intangible Asset is recognised, where it is probable that the future economic benefits attributable to the Asset will flow to the enterprise and where its cost can be reliably measured.

Business Overview

The SKSS Group was promoted by Mr. Surendra Hindu Singh Bhati in 2006 in Jaisalmer, Rajasthan and since then the group has met many milestones at a rapid pace. An aggressive approach has enabled the group to have a presence in various growing sectors such as infrastructure, financial services, power, media, textiles, men's fashion accessories, fashion retail, Import / Export and Hospitality.



SKSS Group currently has its presence in Mumbai, Maharashtra and Jaipur, Rajasthan.

Our Company represents the retail fashion and accessories foray of the group. Our company is engaged in the distribution and marketing of textiles and men's fashion products and accessories.

Currently our product range includes caps, belts, wallets, handkerchiefs and socks. Our products are currently being sold in five states namely, Rajasthan, Gujarat, Maharashtra, Haryana and Delhi and we propose to increase our geographic reach throughout India and abroad.



Our products are sold through our own brand and we also engage in B2B sales and trading of other textile products, which comprises of sale of non-branded products.

Our distribution is carried through our master distributors with whom the company has entered into a master distributorship agreement for the distribution of its products in each of the five states namely, Maharashtra, Gujarat, Rajasthan, Haryana and Delhi. The company entered into its first master distribution agreement in the year 2014 for marketing and distribution of its products in the states of Delhi and Haryana and gradually spread to Maharashtra, Gujarat and Rajasthan by the year 2015, by entering into further three master distribution agreements. Further we are also registered vendors and our products are also available on various e-commerce portals such as Snapdeal and Flipkart.

We have recently forayed into direct retail sales making our products available at our own branded retail kiosks / shops located at Pinnacle Mall, Nashik and we process to further expand on this module adding other such point of sales in similar foot-print based locations. Our company also exports fabric and other textile products/ material to Dubai and Hongkong. We propose to increase our overseas textile trading and take advantage of string working capital capabilities post this issue.


RESULTS OF OUR OPERATIONS
(₹ in lakhs)

Particulars	For the period ended June 30,		For the year ended March 31,									
	2016	% of Total Income	2016	% of Total Income	2015	% of Total Income	2014	% of Total Income	2013	% of Total Income	2012	% of Total Income
Revenue:												
Revenue from Operations	1,174.32	100.00	3,682.37	98.90	2,285.92	99.26	916.27	100.00	1.02	100.00	0.45	100.00
Other Income	0.00	-	40.87	1.10	17.10	0.74	-	-	-	-	-	-
Total revenue	1,174.32	100.00	3,723.24	100.00	2,303.01	100.00	916.27	100.00	1.02	100.00	0.45	100.00
Expenses:						-		-		-		-
Purchase of stock-in-trade	1,105.41	94.13	3,892.87	104.56	2,324.27	100.92	856.16	93.44	-	-	-	-
Changes in inventories of finished goods	(11.49)	(0.98)	(366.03)	(9.83)	(109.60)	(4.76)	-	-	-	-	-	-
Employee benefits expense	12.15	1.03	32.26	0.87	20.39	0.89	9.53	1.04	0.39	38.24	-	-
Finance Cost	14.71	1.25	2.83	0.08	-	-	-	-	-	-	-	-
Depreciation and amortization expenses	2.72	0.23	2.69	0.07	1.19	0.05	0.05	0.01	-	-	-	-
Other Expenses	14.11	1.20	56.28	1.51	19.33	0.84	32.18	3.51	0.23	22.55	0.25	55.56
Total expenses	1,137.61	96.87	3,620.89	97.25	2,255.59	97.94	897.93	98.00	0.62	60.78	0.25	55.56
Net Profit / (Loss) before Tax	36.71	3.13	102.35	2.75	47.43	2.06	18.33	2.00	0.40	39.22	0.20	44.44
Less: Tax expense												
Current tax	11.20	0.95	29.75	0.80	14.65	0.64	5.67	0.62	0.15	14.71	0.06	13.33
Deferred tax	0.14	0.01	1.89	0.05	-	-	-	-	-	-	-	-
Total Tax Expense	11.34	0.96	31.64	0.85	14.65	0.64	5.67	0.62	0.15	14.71	0.06	13.33
Net Profit / (Loss) after tax	25.37	2.16	70.71	1.90	32.77	1.42	12.67	1.38	0.25	24.51	0.14	31.11



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 from operations includes revenue from Trading activity; which as a percentage of total income was 100.00%, 98.90%, 99.26%, 100.00%, 100.00% and 100.00% for 3 months ended June 30, 2016 and fiscals 2016, 2015, 2014, 2013 and 2012 respectively.

Other Income

Our other income includes mainly interest on bank deposits and commission received. Other income, as a percentage of total income was 0.00%, 1.10%, 0.74%, 0.00%, 0.00% and 0.00% for 3 months ended June 30, 2016 and fiscals 2016, 2015, 2014, 2013 and 2012 respectively.

Expenditure

Our total expenditure primarily consists of Purchases & Direct Expenses, Employee Benefit Expenses, Finance cost, Depreciation & Amortisation Expenses and Other Expenses.

Purchases

Costs of Purchases are primarily in relation to purchases of goods for the purpose of trading activity.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include salary, bonus and staff welfare expenses, statutory contributions, etc.

Financial Cost

Financial Cost primarily consists of interest payable on loans availed by our Company from various banks, financial institutions and entities.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation/amortization on the fixed assets of our Company which primarily includes Office Equipments, Vehicles, Furniture and fixtures, Computers and Computer Software.

Other Expenses

Other expenses primarily include Rent, Electricity charges, Advertising expenses, Office expenses, Transportation Charges, Administrative Expenses etc.

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. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

Fiscal 2016 compared with fiscal 2015

Income

Our income for fiscal 2016, increased by ₹ 1,396.45 lakhs or 61.09%; from ₹ 2,285.92 lakhs in fiscal 2015 to ₹ 3,682.37 lakhs in fiscal 2016. The increase in sales represents increase in trading business.

Other income increased by ₹ 23.77 lakhs; from ₹ 17.10 lakhs in fiscal 2015 to ₹ 40.87 lakhs in fiscal 2016. The major factor for such decreased was decrease in commission income.

Purchases

Our purchases for fiscal 2016 increased by ₹ 1,568.59 Lakhs or 67.49 %; from ₹ 2,324.27 lakhs in fiscal 2015 to ₹ 3,892.87 lakhs in fiscal 2016. The increase was due to increased trading volume.

Employee Benefit Expenses

Our staff cost increased by ₹ 11.87 lakhs or 58.22%, from ₹ 20.39 lakhs in fiscal 2015 to ₹ 32.26 lakhs in fiscal 2016. One of the factors responsible for such increase was additional staff hired for our trading business.

Financial Cost

Financial cost during the year increased by ₹ 2.83 lakhs or 100.00%; from ₹ 0.00 lakhs in fiscal 2015 to ₹ 2.83 lakhs in fiscal 2016. The increase was due to increase in long term and short term borrowings.

Depreciation and Amortization Expenses

Depreciation and Amortisation expenses increased by ₹ 1.49 lakhs or 125.08%; from ₹ 1.19 lakhs in fiscal 2015 to ₹ 2.69 lakhs in fiscal 2016. This increase was on account of additional fixed assets being purchased during the year.

Other Expenses

Other expenses increased by ₹ 36.95 lakhs or 191.17% from ₹ 19.33 lakhs in fiscal 2015 to ₹ 56.28 lakhs in fiscal 2016. The increase was due to increase in various expenses such as rentals, administration expenses, repairs and maintenance, etc. during this year.

Profit before Tax

Primarily due to increase in Sales & increase of other income, our Profit before tax increased by ₹ 54.92 lakhs from ₹ 47.43 lakhs in fiscal 2015 to ₹ 102.35 lakhs in fiscal 2016.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹37.93 lakhs or 115.75%, from ₹ 32.77 lakhs in fiscal 2015 to ₹70.70 lakhs in fiscal 2016.

Fiscal 2015 compared with fiscal 2014

Income

In fiscal 2015, our total income increased by ₹ 1,369.65 lakhs or 149.48%, from ₹ 916.27 lakhs in fiscal 2014 to ₹ 2,285.92 lakhs in fiscal 2015. The increase represents the growth in our sales and operations due to the Master Distribution Agreements entered by the company in 2014.

Other income was ₹ 17.10 lakhs fiscal 2015 to as compared to ₹ NIL lakhs fiscal 2014. The major factor for such increase was due to commission received and also interest income from deposits.



Purchases

The purchases in fiscal 2015, increased by ₹ 1,468.11 lakhs or 171.48%, from ₹ 856.16 lakhs in fiscal 2014 to ₹ 2,324.27 lakhs in fiscal 2015. The above increase was due to increased trading volume.

Employee Benefit Expenses

Our staff cost increased by ₹ 10.86 lakhs or 113.97% from ₹ 9.53 lakhs in fiscal 2014 to ₹ 20.39 lakhs in fiscal 2015. This significant increase was mainly due to additional staff being recruited in line with business expansion undertaken.

Depreciation and Amortization Expenses

Depreciation and Amortisation expenses increased by ₹ 1.14 lakhs, from ₹ 0.05 lakhs in fiscal 2014 to ₹ 1.19 lakhs in fiscal 2015. This increase was on account of additional fixed assets being purchased during the year

Other Expenses

Other expenses reduced by ₹ 12.85 lakhs or 39.94% from ₹ 32.18 lakhs in fiscal 2014 to ₹ 19.33 lakhs in fiscal 2015. The decrease was mainly due to decrease in miscellaneous expenses.

Profit before Tax

Due to better management of our overall expenses and corresponding increase in our revenues, our Profit before tax increased by ₹ 29.09 lakhs or 158.67% from ₹ 18.34 lakhs in fiscal 2014 to ₹ 47.43 lakhs in fiscal 2015.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 20.10 lakhs or 158.67%, from ₹ 12.67 lakhs in fiscal 2014 to ₹ 32.77 lakhs in fiscal 2015.

Fiscal 2014 compared with fiscal 2013

Income

Our total income increased by ₹ 915.25 lakhs, i.e. from ₹ 1.02 lakhs in fiscal 2013 to ₹ 916.27 lakhs in fiscal 2014. The increase represents the growth in our sales and operations.

Purchases

The purchases in fiscal 2014 increased by ₹ 856.16 from NIL in fiscal 2013 to ₹ 856.16 lakhs in fiscal 2014. The above increase was majorly due to increase in our scale of our trading operations.

Employee Benefit Expenses

Our staff costs increased by ₹ 9.14 lakhs, i.e. from ₹ 0.39 lakhs in fiscal 2013 to ₹ 9.53 lakhs in fiscal 2014. This increase was due to growing business activities

Depreciation Expenses

Depreciation expenses increased by ₹ 0.05 lakhs, from NIL in fiscal 2013 to ₹ 0.05 lakhs in fiscal 2014, on account of purchase of Fixed Assets.

Other Expenses

Other Expenses increased by ₹ 31.95 lakhs in fiscal 2014, i.e. from ₹ 0.23 lakhs in fiscal 2013 to ₹ 32.18 lakhs in fiscal 2014. The increase was mainly due to increase in Rent and taxes, Repairs and maintenance and Miscellaneous expenses.

Profit before Tax



PBT increased by ₹ 17.93 lakhs as compared from ₹ 0.40 lakhs in fiscal 2013 to ₹ 18.34 lakhs in fiscal 2014. This was primarily due to decrease in administration expenses and also due to growth in the line of operations.

Profit after Tax

After accounting for taxes at applicable rates, our profit after tax increased by ₹ 12.42 lakhs from ₹ 0.25 lakhs in fiscal 2013 to ₹ 12.67 lakhs in fiscal 2014.

Fiscal 2013 compared with fiscal 2012

Income

In fiscal 2013, we recorded a total income of ₹ 1.02 lakhs, an increase of ₹ 0.57 lakhs or 126.21% as compared to ₹ 0.45 lakhs in fiscal 2012. The increase was due to increase in sale of products.

Employee Benefit Expenses

Our staff costs increased by ₹ 0.39 lakhs from NIL in fiscal 2012 to ₹ 0.39 lakhs in fiscal 2013. The increase in expense is solely attributable appointment of new staff/ personnel.

Other Expenses

Other expenses marginally decreased by ₹ 0.02 lakhs or 7.98%, from ₹ 0.25 lakhs in fiscal 2012 to ₹ 0.23 lakhs in fiscal 2013. This was on account of decrease in administrative expenses.

Profit before Tax

Profit before tax increased by ₹ 0.20 lakhs or 100% as compared from ₹ 0.20 lakhs in fiscal 2012 to ₹ 0.40 lakhs in fiscal 2013.

Profit after Tax

After accounting for taxes at applicable rates, our profit after tax increased by ₹ 0.11 lakhs or 78.57% from a profit of ₹ 0.14 lakhs in fiscal 2012 to ₹ 0.25 lakhs in fiscal 2013.

Cash Flows

(₹ in lakhs)

Particulars	As at June 30, 2016	Year ended March 31,				
		2016	2015	2014	2013	2012
Net Cash from Operating Activities	(148.88)	(711.42)	(45.69)	(103.04)	0.36	0.26
Net Cash from Investing Activities	(1.16)	(72.76)	(11.08)	(0.71)	-	-
Net Cash used in Financial Activities	149.24	782.34	63.12	104.27	0.10	0.04
Net Increase / (Decrease) in Cash and Cash equivalents	(0.80)	(1.83)	6.35	0.52	0.46	0.30

Cash Flows from Operating Activities

Net cash from operating activities in fiscal 2016 was negative ₹ 711.42 lakhs as compared to the PBT of ₹ 102.35 lakhs for the same period. This difference is primarily on account of changes in trade receivables, inventories, other current liabilities & trade payables.

Net cash from operating activities in fiscal 2015 was negative ₹ 45.69 lakhs as compared to the PBT of ₹ 47.43 lakhs for the same period. This difference is primarily on account of changes in trade & other payables, other current liabilities and Trade & other Receivables.



Net cash from operating activities in fiscal 2014 was negative ₹ 103.04 lakhs as compared to the PBT were ₹ 18.34 lakhs for the same period. This difference is primarily on account of changes in trade payables, trade receivables, inventories and other current liabilities.

Net cash from operating activities in fiscal 2013 was ₹ 0.36 lakhs as compared to the PBT of ₹ 0.40 lakhs for the same period. This difference is primarily on account of changes in trade receivable, trade payables and other current liabilities.

Net cash from operating activities in fiscal 2012 was ₹ 0.26 lakhs as compared to the PBT of ₹ 0.02 lakhs for the same period. This difference is primarily on account of changes in trade receivable, other current assets, trade payables and other current liabilities.

Cash Flows from Investment Activities

In fiscal 2016, the net cash invested in Investing Activities was negative ₹ 72.76 lakhs. This was on account of purchase of fixed assets and long term investments.

In fiscal 2015, the net cash invested in Investing Activities was negative ₹ 11.08 lakhs. This was on account of purchase of fixed assets.

In fiscal 2014, the net cash invested in Investing Activities was negative ₹ 0.71 lakhs. This was on account of purchase of fixed assets.

In fiscal 2013 and 2012 was NIL.

Cash Flows from Financing Activities

Net cash from financing activities in fiscal 2016 was ₹ 782.34 lakhs. This was on account of increase in long term and short term borrowings and interest paid.

Net cash from financing activities in fiscal 2015 was ₹ 63.12 lakhs. This was on account of increase in long term and short term borrowings and interest paid.

Net cash from financing activities in fiscal 2014 was ₹ 104.27 lakhs. This was on account of increase in long term and short term borrowings and interest paid.

Net cash from financing activities in fiscal 2013 was ₹ 0.10. This was on account of increase in long term and short term borrowings and interest paid.

Net cash from financing activities in fiscal 2012 was ₹ 0.04. This was on account of increase in long term and short term borrowings and interest paid.

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 pages nos. 116 and 134 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. 11 and 134 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. 11 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 new products or 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 our Company operates.

The Company is in the business of trading and distribution, of Men’s Fashion Accessories, fabric and other textile material through its master distributors in the states of Gujarat, Maharashtra, Haryana, Rajasthan and Delhi. The company also exports its products in Dubai and Hongkong. 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. 69 of this Draft Prospectus.

8. Any significant dependence on a single or few suppliers or customers

The Company does not have any significant dependence on any of the suppliers or customers.

9. Competitive Conditions

Demand and supply dynamics are always active in fashion accessory and garments market. With regards to our trading business, much of the market in which we operate is unorganized and fragmented with many small and medium-sized entities. We face substantial competition for our products from other traders / dealers in domestic market. We compete with other traders / dealers on the basis of product range, product quality, and product price including factors, based on reputation, needs, and customer convenience. Further; for our branded products business wherein we sell packed products we would be competing to large MNCs or corporations involved in Men’s Fashion Accessory and textile segment.

Due to industry’s fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis the competitors.



FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on June 30, 2016 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

Nature of Borrowing	Amount (₹ in lakhs)
Secured Borrowings ⁽¹⁾	483.36
Unsecured Borrowings	387.53
Total	870.89

⁽¹⁾Includes ₹ 7.09 lakhs shown under Other Current Liabilities as 'Current Maturities of Long Term Debt'

SECURED BORROWINGS

Working Capital Loan

(₹ in lakhs)

Sr. No.	Name of Lenders	Type of Credit Facility & Account No.	Date of Sanction of the Loan	Amount Sanctioned	Amount outstanding as on June 30, 2016	Interest rate (% per annum)	Security and Financial Covenants	Repayment Schedule for Outstanding Amount
1.	Allahabad Bank	Cash Credit	February 25, 2016	450.00	448.81	9.70+2.00% p.a. with monthly rest	See Note 1	Repayable on demand

NOTE 1:

The Security offered for the above mentioned loans include Immovable Property, movable fixed assets and current assets, details of which are as mentioned below:

A. Secured Immovable Properties

Freehold Properties

- (i) Flat No. 601, Bhagtani Solitaire Park, plot no. 19, CTS No. 1129/26 div, Versova, Andheri West, Mumbai. (in the name of Mr. Surendra Singh Bhati)

(ii) Secured Current Assets

- (i) The whole of the borrower's present and future stocks of finished goods and articles along with all stores, component and spares;
- (ii) All of the borrower's present and future book debts, outstanding monies, receivables, claims, bills, investments, securities, rights to or on movable properties and movable assets forming part of current assets; and

RESTRICTIVE / NEGATIVE COVENANTS

The above loan agreements includes various restrictive covenants in relation to certain actions to be undertaken by our Company and for which prior written approval of the Bank(s) is required. The major restrictive covenants (which require prior approval) are mentioned below: (some of these may be common across all banks, while some may be specific to a particular bank)

- Our Company shall not provide any loans to associates/ connected corporate and other related entities without obtaining a prior consent in writing from the Bank;
- Our Company shall maintain a current ratio above the bank's benchmark ratio of 1.33:1 times;



3. Our Company shall route its entire banking business including Foreign Exchange/ Insurance if any and Deposits through Allahabad Bank;
4. Our Company shall maintain its net Working Capital position equal to or above the levels furnished in its projections for Working Capital finance;
5. Our Company shall not pay any consideration by way of Commission, Brokerage, Fees or any other form to Guarantors directly or indirectly;
6. Our Company shall obtain a NOC from the bank for availing credit facilities from other Banks/FI's, further expansion of business, taking up new business activity or setting up/ investing in a subsidiary whether in the same business line or unrelated business.
7. Our Company shall not invest any amount for acquisition of fixed assets without any long term arrangement and without maintaining a current ratio of 1.33:1.

Vehicle Loans

(₹ in lakhs)

Name of the Lender	Agreement / Sanction Letter Date	Sanctioned Amount	Outstanding Amount as on June 30, 2016	Repayment Schedule for Outstanding Amount	Security Created
Alphera Financial Services	April 14, 2016	43.43	34.55	Repayable in 60 monthly Instalments of ₹93,348	Hypothecated against Vehicle – Audi A3

UNSECURED BORROWINGS

(₹ in lakhs)

Sr. No.	Name of the Lender	Amount Outstanding as on June 30, 2016
1	Loan from Related Parties	356.43
2	Loan from Others	31.10
	Total	387.53



SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoters or Group Companies; (ii) pending action by statutory or regulatory authorities involving our Company, Directors, Promoters or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoters or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated for economic offences against our Company; (v) pending defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Prospectus; (viii) prosecutions filed (whether pending or not); fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Prospectus; (ix) litigation or legal action against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Prospectus; (x) other pending litigations involving our Company, Directors, Promoters, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; and (xii) dues to small scale undertaking and other creditors.

For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in the Draft Prospectus:

- (a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;
- (b) All pending litigation involving our Company, Promoters, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) where the monetary liability quantified exceeds ₹ 1 lakh of our Company as per the Restated Financial Statements for the year ended March 31, 2016; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoters, Directors, or Group Companies, whose outcome would have a bearing on the operations or performance of our Company;
- (c) Notices received by our Company, Promoters, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoters / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.

Our Company, our Promoters and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoters or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

Unless otherwise stated, all proceedings are pending as of the date of this Draft Prospectus. All information provided below is as of the date of this Draft Red Herring Prospectus.

LITIGATION INVOLVING OUR COMPANY

Litigation against our Company

NIL

Litigation by our Company

NIL

LITIGATION INVOLVING THE DIRECTORS



NIL

LITIGATION INVOLVING OUR PROMOTERS

NIL

LITIGATION INVOLVING OUR GROUP ENTITIES

NIL

TAX PROCEEDINGS

A summary of tax proceedings involving our Company, our Promoters, our Directors, or our Group Companies are stated below:

Nature of case	Number of cases	Amount involved (in ₹ lakhs)
Company		
Direct Tax	Nil	Nil
Indirect Tax	2	Cannot be ascertained
Subsidiary		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Promoters		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Directors		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Group Companies		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

MATERIAL FRAUDS AGAINST OUR COMPANY

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Prospectus.

PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES

There are no proceedings initiated against our Company for any economic offences.

NON PAYMENT OF STATUTORY DUES

Other than the following outstanding statutory dues, our Company, Promoters, Whole-time Directors and Group Companies have no outstanding defaults in relation to statutory dues consisting of service tax, value added tax, professional tax, employee state insurance, provident fund, dues payable to holders of any debentures (including interest) or dues in respect of deposits (including interest) or any defaults in repayment of loans from any bank or financial institution (including interest):

Particulars	Assessment Year	Amount Outstanding (₹)
Income Tax		
Mahecha Multi Traders Private Limited	2014-15	44,360
	2015-16	58,970
Mohan Kripa Retail Private Limited	2014-15	44,970
	2015-16	56,860
Rathore Tradelink Private Limited	2014-15	42,720
	2015-16	59,040
SKSS Traders Private Limited	2014-15	11,580
	2015-16	19,560



Sai Kripa Traveltrip Private Limited	2014-15	1,13,020
	2015-16	1,83,150
SKSS Impex Private Limited	2014-15	47,460
	2015-16	61,010
SKSS Industries Private Limited	2014-15	3,15,060
	2015-16	2,08,500
Sundha Mata Motors Private Limited	2014-15	22,100
	2015-16	36,680

Particulars	Amount Outstanding (₹)
Our Company	
Income Tax	40,95,305
Profession Tax	19,700
Service Tax	725
TDS	4,07,525
VAT & CST	6,45,854
Total	51,69,109

PAST CASES WHERE PENALTIES WERE IMPOSED

There are no past cases where penalties were imposed on our Company by concerned authorities/courts.

POTENTIAL LITIGATION AGAINST OUR COMPANY

As on the date of this Draft Prospectus, there is no potential litigation proceeding against our Company.

OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

As on the date of this Draft Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act 2013 or any previous company law in the last five years immediately preceding the year of this Draft Prospectus in the case of Company, Promoters, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of this Draft Prospectus.

Further, there is no legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoters during the last five years immediately preceding the year of the issue of the Draft Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

OUTSTANDING DUES TO CREDITORS

As per the Materiality Policy, our Board has approved that each creditor, to whom our Company individually owes a net aggregate amount that exceeds ₹ 1 lakh of the trade payables as per the Restated Financial Statements for the most recent financial year, shall be considered as a material creditor of our Company. Our Board has also approved that dues owed by our Company to small scale undertakings as per the Restated Financial Statements for the most recent financial year shall be disclosed in a consolidated manner.

As of June 30, 2016, our Company, in its ordinary course of business, has an aggregate amount of ₹ 1,037 lakhs, which is due towards sundry and other creditors. As per the above policy, consolidated information of outstanding dues, as at June 30, 2016, owed to small scale undertakings, material dues to creditors and other dues to creditors separately, giving details of number of cases and aggregate amount for such dues is as under:



(₹ in lakhs)

Particulars	Number of cases	Amount Outstanding (₹)
Dues to small scale undertakings	Nil	Nil
Material dues to creditors	8	1,037
Other dues to creditors	Nil	Nil

The details pertaining to net outstanding due by our Company towards small scale undertakings, material dues to creditors and other dues to creditors separately as per the Restated Financial Statements for the most recent financial year are available on the website of our Company at www.skssclub.com. It is clarified that such details available on our Company's website do not form a part of this Draft Prospectus. Anyone placing reliance on any source of information including our Company's website would be doing so at their own risk.

MATERIAL DEVELOPMENTS

Except as stated in “*Management's Discussion and Analysis of Financial Condition and Results of Operation*” on page 134, there have not arisen, since the date of the last financial statements disclosed in this Draft Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.



GOVERNMENT AND OTHER KEY APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively "Authorisations") from the Government of India and various statutory / regulatory / governmental authorities 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 statutory 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 the Draft Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities. For further details in connection with the regulatory and legal framework within which we operate, please refer "Key Regulations and Policies" on page 79 of the Draft Prospectus.

A. Corporate / General Authorisations

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/Regulation	Date of Issue	Valid up to
1.	Certificate of Incorporation in the name of 'Sai Kripa Markserve Private Limited'	Registrar of Companies, Mumbai	U93030MH2011PTC214128	Companies Act, 1956	February 28, 2011	Valid until cancelled
2.	Fresh Certificate of Incorporation consequent upon change of name to 'SKSS Lifestyle Club Private Limited'	Registrar of Companies, Mumbai	U93030MH2011PTC214128	Companies Act, 1956	December 26, 2013	Valid until cancelled
3.	Fresh Certificate of Incorporation consequent upon change of name to 'SKSS Lifestyle Club Limited' on conversion to public limited company	Registrar of Companies, Mumbai	U93030MH2011PLC214128	Companies Act, 2013	February 12, 2016	Valid until cancelled
4.	Fresh Certificate of Incorporation consequent upon change of name to 'SKSS Lifestyle Limited'	Registrar of Companies, Mumbai	U93030MH2011PLC214128	Companies Act, 2013	March 16, 2016	Valid until cancelled
5.	Certificate of Registration of	Registrar of Companies,	U74110MH2011PLC214128	Companies Act, 2013	April 21, 2016	Valid until cancelled



Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/Regulation	Date of Issue	Valid up to
	the Special Resolution Confirming Alteration of Object Clause(s)	Mumbai				

B. Issue Related Authorisations

1. Our Board of Directors has, pursuant to a resolution passed at its meeting held on July 11, 2016, authorised the Issue subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 such other authorities as may be necessary.
2. The shareholders of our Company have authorised the Issue, pursuant to a special resolution under Section 62(1)(c) of the Companies Act, 2013, passed at their EGM held on July 13, 2016.
3. Our Company has obtained approval dated [•] from the NSE.
4. Our Company's International Securities Identification Number ("ISIN") is INE527U01012.

C. Business Related Approvals

Sr. No	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/Regulation	Date of Issue/Renewal	Validity
1.	Permanent Account Number (PAN)	Income Tax Department, GoI	AAPCS5027F	Income Tax Act, 1961	February 28, 2011	Valid until cancellation
2.	Tax Deduction and Collection Account Number (TAN)	Income Tax Department, GoI	MUMS69702D	Income Tax Act, 1961	-	Valid until cancellation
3.	Certificate of Importer - Exporter Code (IEC)	Ministry of Commerce and Industry, Government of India, Additional Director General of Foreign Trade (Foreign Trade Development Officer)	0314021655	The Foreign Trade (Development and Regulation) Act, 1992	June 24, 2014	Valid until cancellation
4.	Certificate of Registration issued under Maharashtra Value Added Tax Act, 2002*	Sales Tax Officer, Mumbai	27101044098V	Maharashtra Value Added Tax Act, 2002	March 2, 2014	Valid until cancellation
5.	Certificate of Registration issued under Central Sales Tax Act, 1956*	Sales Tax Officer, Mumbai	27101044098C	Central Sales Tax Act, 1956 read with Central Sales Tax (Registration & Turnover) Rules, 1957	March 2, 2014	Valid until cancellation



Sr. No	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/Regulation	Date of Issue/Renewal	Validity
6.	Certificate of Registration issued under Central Sales Tax Act, 1956	Assistant Commissioner, Jodhpur	08404904410	Central Sales Tax Act, 1956	June 28, 2016	Valid until cancellation
7.	Certificate of Enrollment under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975#	Profession Tax, Officer, Mumbai Branch	99852172790P	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	-	Valid until cancellation
8.	Certificate of Registration under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975#	Profession Tax, Officer, Mumbai Branch	27101044098P	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	-	Valid until cancellation

* Our Company has made applications to respective authorities for updating each of the aforesaid certificates to reflect its current name and registered office.

Our Company is yet to make an application to respective authorities for updating each of the aforesaid certificates to reflect its current name and registered office.

- Our Company is registered with the Central Board of Excise and Customs pursuant to Section 69 of The Finance Act, 1994 (32 of 1994) under registration code AAPCS5027FSD001 under the taxable services “Manpower recruitment / supply agency service, Other Taxable Services - Other than the 119 listed” vide certificate dated October 31, 2016. The registration is valid until cancellation.
- The Registered Office of our Company is registered as an establishment under the Maharashtra Shops and Establishment Act, 1948 under registration number 762020143 as evidenced by the certificate of registration as “Commercial II” issued by the Inspector under the Maharashtra Shops and Establishment Act, 1948 dated December 17, 2015, the said certificate of registration is valid until December 9, 2016.
- The Nashik Kiosk of our Company is registered as an establishment under the Maharashtra Shops and Establishment Act, 1948 under registration number 1620600310583155 as evidenced by the certificate of registration as “Men’s Accessories” issued by the Inspector under the Maharashtra Shops and Establishment Act, 1948 dated October 26, 2016, the said certificate of registration is valid until October 26, 2019.
- The Jodhpur warehouse of our Company is registered as an establishment under Rajasthan Shops and Commercial Establishments Act, 1958 under registration number SCA/2016/19/985718 as evidenced by the certificate of registration issued by the Inspector under the Rajasthan Shops And Commercial Establishments Acts, 1958, Rajasthan dated November 9, 2016, the said certificate of registration is valid until December 31, 2018.

D. Intellectual property registrations

We do not hold any trademarks or other forms of intellectual property protection in relation to our “SKSS CLUB” brand in our own name, and inability to conduct our business under the SKSS brand could adversely affect our business, results of operations and financial condition.



One of our Group Entities, SKSS Bharosa Holding Private Limited, had made applications to the Trade Marks Registry, Mumbai under various classes for registration of trademarks (in various classes), including “SKSS CLUB” (word and logo). Pursuant to a Trademark License Agreement dated October 13, 2016 entered into with SKSS Bharosa Holding Private Limited we have been granted a non-exclusive, non-transferrable license to use the “SKSS CLUB” trademark. Being one of the Group Entities SKSS Bharosa Holding Private Limited has allowed our Company the use of said trademark during the period of the Trademark License Agreement without any consideration. For further details on our use of the “SKSS CLUB” trademark, please refer “*Risk Factors - We do not own the “SKSS CLUB” trademark and logo. Our Trademark License Agreement may be terminated under certain circumstances. Further, we may be subject to claims alleging breach of third party intellectual property rights*” on page 11.

E. Approvals applied for but not yet received / Renewals made in the usual course of business:

Nil

F. Material licenses / approvals for which our Company is yet to apply for / Statutory Approvals / Licenses required:

Nil



SECTION VIII- OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated July 11, 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 held with a shorter notice on July 13, 2016, in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

The Company has obtained approval letter from NSE vide letter dated [●] to use the name of NSE in this Offer Document for listing of equity shares on the SME Platform of NSE. NSE 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 or any other regulatory or governmental authority.

We further confirm that none of our Company, its Promoters, relatives of Promoters (as defined under Companies Act, 2013), its Directors and its Group Companies have been identified as wilful defaulters by the RBI or other authorities.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

Association with Securities Market

We confirm that none of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “Risk factors”, “Our Promoter, Promoter Group”, “Group Companies” and “Outstanding Litigations and Material Developments” beginning on page nos. 11,99, 147 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, a Company whose post Issue face value capital does not exceed 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 NSE).

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. 40 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 shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- 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 the 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. 45 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.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER ARE 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 HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●]:

AS PER REGULATION 106(O) OF THE SEBI ICDR REGULATIONS, ONLY THE PROSPECTUS HAS TO BE FILED WITH SEBI ALONGWITH A DUE DILIGENCE CERTIFICATE AS PER FORM A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS BY THE BRLM. ACCORDINGLY, THIS SECTION WILL BE UPDATED AT THE TIME OF FILING THE PROSPECTUS WITH STOCK EXCHANGE AND ROC AND PROSPECTUS AND DUE DILIGENCE CERTIFICATE AS PER FORM A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS WITH SEBI.

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 OFFER. 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.

ALL LEGAL REQUIREMENTS PERTAINING TO THE OFFER WILL BE COMPLIED WITH AT THE TIME OF REGISTRATION OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, MUMBAI, IN TERMS OF SECTION 26, SECTION 28 AND SECTION 32 OF THE COMPANIES ACT 2013.

THE PROMOTER(S) / DIRECTOR(S) OF SKSS LIFESTYLE LIMITED CONFIRM THAT NO INFORMATION / MATERIAL LIKELY TO HAVE A BEARING ON THE DECISION OF INVESTORS IN



RESPECT OF THE SHARES ISSUED IN TERMS OF THIS OFFER DOCUMENT HAS BEEN SUPPRESSED WITHHELD AND / OR INCORPORATED IN THE MANNER THAT WOULD AMOUNT TO MIS-STATEMENT / MISREPRESENTATION AND IN THE EVENT OF ITS TRANSPILING AT ANY POINT IN TIME TILL ALLOTMENT / REFUND, AS THE CASE MAY BE, THAT ANY INFORMATION / MATERIAL HAS BEEN SUPPRESSED / WITHHELD AND / OR AMOUNTS TO A MIS-STATEMENT/ MISREPRESENTATION, THE PROMOTERS/DIRECTORS UNDERTAKE TO REFUND THE ENTIRE APPLICATION MONIES TO ALL SUBSCRIBERS WITHIN 7 DAYS THEREAFTER WITHOUT PREJUDICE TO THE PROVISIONS OF SECTION 34 OF THE COMPANIES ACT 2013.

Disclaimer from our Company, Directors and the Lead Manager

Our Company, the 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 accepts no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Lead Manager and our Company dated September 20, 2016, the Underwriting Agreement dated September 20, 2016 entered into among the Underwriter and our Company and the Market Making Agreement dated September 20, 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 Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares 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 Underwriter 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, except through their legal guardian), 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 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 Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft 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 of the SME Platform of NSE

As required, a copy of this Draft Prospectus has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). The disclaimer clause as intimated by NSE to us, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to RoC filing.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and 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 Corporation Finance Department, Plot No. C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

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 100, Everest, Marine Drive, Mumbai – 400 002.

Listing

An application shall be made to SME Platform of NSE (i.e. “NSE EMERGE”) 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. NSE 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 NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within eight days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of NSE mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from NSE vide letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on SME Platform of NSE.

Price Information of past issues handled by the Lead Manager

Sr. No.	Issue Name	Issue size (M Cr.)	Issue Price (M)	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	Diksat Transworld	18.43	40	18/10/16	40.75	NA	NA	NA	NA	NA	NA



Sr. No.	Issue Name	Issue size (M Cr.)	Issue Price (M)	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	
	Limited										
2	Valiant Organics Limited	21.22	220	14/10/16	264.00	NA	NA	NA	NA	NA	NA
3	Mitsu Chem Plast Limited	9.51	95	09/09/2016	96.00	0.79%	-2.56%	NA	NA	NA	NA
4	Bajaj Healthcare Limited	30.90	170	10/05/2016	170.00	2.18%	3.84%	23.53%	9.35%	44.76%	5.83%
5	Franklin Leasing And Finance Limited	6.34	15	13/04/2016	15.10	1.67%	-0.54%	7.67%	8.51%	6.67%	9.58%
6	Relicab Cable Manufacturing Ltd.	3.22	20	22/03/2016	20.00	2.50%	2.17%	3.75%	6.07%	25.00%	12.90 %
7	K.P. Energy Ltd.	6.44	70	25/02/2016	72.00	10.00%	10.28 %	28.57%	12.64%	81.71%	21.82 %
8	Vaksons Automobiles Ltd.	6.24	26	16/10/2015	26.25	4.23%	-5.89%	1.92%	-8.97%	1.73%	-5.83%
9	AGI Infra Ltd.	14.99	54	27/03/2015	54.40	4.17%	-0.08%	50.00%	1.59%	115.74%	-5.96%
10	Vishal Fabrics Ltd.	15.63	45	20/08/2014	45.20	12.22%	2.95%	15.56%	7.03%	34.33%	10.72 %

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (M in 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%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-17	5 ⁽¹⁾	86.40	-	-	-	-	-	3	-	-	-	-	-	-
2015-16	3	15.90	-	-	-	-	-	3	-	-	-	-	-	2
2014-15	3	35.06	-	-	1	-	-	2	-	-	1	1	1	-

⁽¹⁾ Details indicated in 2016-17 are for the IPOs completed as on date.

Notes:

- Since the listing date of Mitsu Chem Plast Limited was September 9, 2016 information related to closing prices and benchmark index as on 90th and 180th day from the listing date is not available.
- Since the listing date of Diksat Transworld Limited and Valiant Organics Limited was October 18, 2016 and October 14, 2016 respectively, the information related to closing prices and benchmark index as on 30th, 90th and 180th day from the listing date is not available.
- The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.
- In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.



e) Source: www.NSEindia.com and NSE Sensex 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 Aryaman Financial Services Limited – www.afsl.co.in

Consents

Consents in writing of: (a) The Directors, the Chief Financial Officer, Chief Executive officer, Company Secretary & Compliance Officer and the Statutory Auditors; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisors to the Issue, Banker to the Company, Banker to the Issue*, Market Maker and Underwriters 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.

**The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. V.N. Purohit and Co, Chartered Accountants, Peer Review Auditors have provided their written consent to the inclusion of their reports dated November 09, 2016 on Restated Financial Statements and M/s. Jagiwala And Associates, Chartered Accountants, Statutory Auditors and have provided their written consent to the inclusion of their reports dated October 20, 2016 on Statement of Tax Benefits, 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 as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, M/s. Jagiwala And Associates, Chartered Accountants and from the Peer Review Auditor M/s. V.N. Purohit & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Statement of Tax Benefits dated October 20, 2016, and on the Restated Financial Statements dated November 09, 2016 and issued by them, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

ISSUE RELATED EXPENSES

Issue related expenses include underwriting and Issue management fees, selling commission, distribution expenses, market making charges, legal fees, fees to advisors, printing and stationery costs, advertising expenses, listing fees payable to the Stock Exchange, and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange, including fees payable to Depositories is given below: Same as object of the Issue

The details of estimated Issue expenses are set forth below:

Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue size
1	Issue Management fees including fees and reimbursements of Market Making fees (1 st year), and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	29.50	71.08%	7.27%
2	Brokerage and selling commission for Registered Brokers, RTAs and CDPs ⁽¹⁾⁽²⁾	2.00	4.82%	0.49%
3	Printing & Stationery, Distribution, Postage, etc.	2.00	4.82%	0.49%



Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue size
4	Advertisement and Marketing Expenses	2.50	6.02%	0.62%
5	Stock Exchange Fees, Regulatory and other Expenses ⁽³⁾	5.50	13.25%	1.35%
	Total	41.50	100.00%	10.22%

⁽¹⁾The SCSBs would be entitled to processing fees of ₹ 25/- per Application Form, for processing the Application Forms procured by the members of the Syndicate, Brokers, Sub-Syndicate/ Agents, or the Registered Brokers and submitted to the SCSBs. Further, 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.

⁽²⁾The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities

⁽³⁾ The Issue expenses are estimated expenses and subject to change.

Fees, Brokerage and Selling Commission Payable to the Lead Manager

The total fees payable to the Lead Manager (including underwriting commission and selling commission) is as stated in the MOUs dated September 20, 2016, the Underwriting Agreement dated September 20, 2016 and the Market Making Agreement dated September 20, 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 November 07, 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.

Previous Public and Rights Issues

We have not made any rights and public issues in the past, 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. 47 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.

Capital Issues in the last three (3) years by Listed Group Companies / Subsidiaries / Associates

None of our Group Companies / Associates / Subsidiary is listed on any Stock Exchange and hence there is no Capital Issue.

Promise v. Performance (Issuer and Listed Group Companies / Subsidiaries / Associates)

Our Company has not made any rights and public issues in the past 10 years. None of our Group Companies / Associates / Subsidiary is listed on any Stock Exchange and not made any rights and public issues in the past 10 years.



Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments issued by the Company

The Company has no outstanding debentures or bonds and redeemable preference shares and other instruments as on the date of Draft Prospectus.

Stock Market Data for our Equity Shares

This being an Initial Public Offer 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 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 July 18, 2016 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Nirbhay Jani	Non Executive Independent Director	Chairman
Ms. Tanvi Amar	Non Executive Independent Director	Member
Mr. Ravindrapal Singh Leelawat	Whole Time Director	Member

For further details, please see the chapter titled "*Our Management*" beginning on page no. 86 of this Draft Prospectus.

The Company has also appointed Ms. Neha Borkar as the Company Secretary and Compliance Officer for this issue and she may be contacted at the Registered Office of our Company. The contact details are as follows:

Name: Ms. Neha Borkar

Address: 909, 9th Floor, Trade World, C-Wing, Kamala City, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai, Maharashtra – 400 013.

Tel No.: +91 – 22 – 40021540/40061540

Email: cs@skssclub.com

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

None of the Group Company or Associates or Subsidiary of our Company has made any public issue (including any rights issues to the public) during the last three years and hence there are no pending investor grievances.

Change in Auditors

There has been no change in auditors of our company in the last 3 years except as mentioned below:

Sr. No.	Date	From	To
1.	January 29, 2016	Bhavik Nathavani & Co	M/s. Jagiwala And Associates

Capitalisation of Reserves or Profits

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 47 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 the last 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 or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

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 July 11, 2016 and was approved by the Shareholders of the Company by passing a Special Resolution at the Extra Ordinary General Meeting held with a shorter notice on July 13, 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. 218 of this Draft Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, the Memorandum and Articles of Association, 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. Our Company shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer the chapter titled "*Dividend Policy*" and "*Main Provisions of Article of Association*" beginning on page nos. 115 and 218 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 ₹ 35 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "*Basis for Issue Price*" beginning on page no. 60 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, terms of the listing agreements with the Stock Exchange 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. 218 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 March 16, 2016 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated May 11, 2016 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 4,000 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 NSE 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 4,000 Equity Share subject to a minimum allotment of 4,000 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 Allotment / Refunds / Unblocking of Funds	[•]
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 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 5.00 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.



In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

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

The requirement for 90% minimum subscription in terms of Regulation 14 of the ICDR Regulations is not applicable to the Issue. In terms of Regulation 106P(1) of the ICDR Regulations, the Issue is not restricted to any minimum subscription level and is 100% underwritten. Further, pursuant to Regulation 106R of the ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 50.

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 the applicable sections 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 4,000 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 NSE.

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. 218 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. As per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialised form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of NSE.

Migration to Main Board

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the NSE 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 NSE 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 NSE 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 NSE 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 NSE (SME Exchange), wherein the Lead Manager to this 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 NSE.

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. 45 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 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 NSE). 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. 164 and 171 respectively, of this Draft Prospectus.

Following is the issue structure:

Public issue of 11,60,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 35 per Equity Share (including a Share premium of ₹ 25 per Equity Share) aggregating to ₹ 406.00 lakhs ("the Issue") by SKSS Lifestyle Ltd. ("SKSSLL" or the "Company" or the "Issuer").

The issue comprises a reservation of 64,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of 10,96,000 Equity Shares of ₹ 10 each ("the Net issue"). The Issue and the Net Issue will constitute 31.69% and 29.95%, 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	10,96,000 Equity Shares	64,000 Equity Shares
Percentage of Issue Size available for allocation	94.48% of the Issue Size	5.52% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 4,000 Equity Shares and further allotment in multiples of 4,000 Equity Shares each.	Firm Allotment
Mode of Application	For QIB and NII Applicants the application must be made compulsorily through the ASBA Process. The Retail Individual Applicant may apply through the ASBA or the Physical Form.	Through ASBA Process Only
Minimum Application Size	<i>For QIB and NII⁽⁴⁾:</i> Such number of Equity Shares in multiples of 4,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000. <i>For Retail Individuals:</i> 4,000 Equity Shares	64,000 Equity Shares
Maximum Application Size	<i>For QIB and NII:</i> Such number of Equity Shares in multiples of 4,000 Equity Shares such that the Application Size does not exceed 10,96,000 Equity Shares. <i>For Retail Individuals:</i> Such number of Equity Shares in multiples of 4,000 Equity Shares such that the Application Value does not exceed ₹ 2,00,000.	64,000 Equity Shares
Mode of Allotment ⁽²⁾	Dematerialized Form	Dematerialized Form
Trading Lot	4,000 Equity Shares	4,000 Equity Shares, However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the	



Particulars of the Issue	Net Issue to Public ⁽¹⁾	Market Maker Reservation Portion
	Application Form. ⁽³⁾	
Application Lot Size	4000 Equity Share and in multiples of 4000 Equity Shares thereafter	

- 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(inM)	Lot Size(No. Of shares)
Upto14	10000
More than 14upto18	8000
More than 18upto 25	6000
More than 25upto 35	4000
More than 35upto 50	3000
More than 50upto 70	2000
More than 70upto 90	1600
More than 90upto 120	1200
More than 120upto150	1000
More than 150upto180	800
More than 180upto250	600
More than 250upto350	400
More than 350upto500	300
More than 500upto600	240
More than 600upto750	200
More than 750upto1000	160
Above1000	100

Further to the Circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Manager, our Company and NSE 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 NSE Ltd to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please see the above mentioned NSE 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 NSE (www.nseindia.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⁽¹⁾
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

⁽¹⁾ *excluding electronic Application Form*

Designated Intermediaries shall submit Application Forms to SCSBs and shall not submit it to any non-SCSB 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 ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
19. Pension Funds with a minimum corpus of ₹ 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 4,000 Equity Shares and in multiples of 4,000 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 4,000 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 NSE (www.nseindia.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 NSE (www.nseindia.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

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 an 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 re-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: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

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.



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- 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.

Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Issue

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

Payment instructions

The entire issue price of ₹ 35 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 Issue 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, the Selling Shareholders, 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 64,000 Equity Shares shall be reserved for the Market Maker. 5,48,000 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 September 20, 2016.
- b) For terms of the Underwriting Agreement please see chapter titled "*General Information*" beginning on page no. 40 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26 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 offered through this Issue 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 Issues. 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 Issue 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 Issue Price through the Book Building Process (“Book Built Issue”) or undertake a Fixed Price Issue (“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/ Issue 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 Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue 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/ Issue Period. Details of Bid/ Issue Period are also available on the website of the Stock Exchange(s).

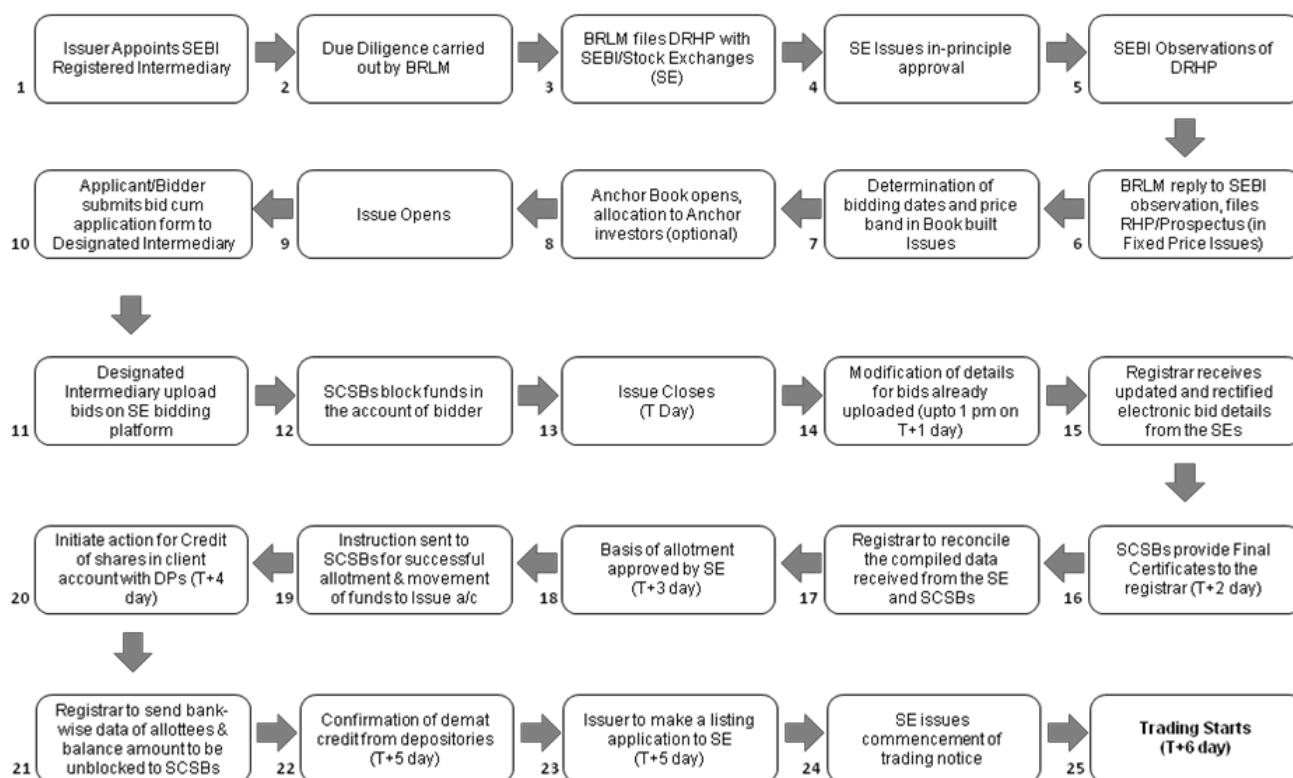
In case of a Book Built Issue, the Issuer may close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Issue Period may be extended by at least three Working Days, subject to the total Bid/ Issue 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 Issue 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 Issue 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 Issue 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 Issue, 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 Issue.

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/ Issue 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/ Prospectus 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 Detail: CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS				
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<table border="1" style="width:100%;"> <tr> <td style="text-align:center;">BOOK BUILT ISSUE</td> <td style="text-align:center;">Bid cum Application Form No. _____</td> </tr> <tr> <td style="text-align:center;">ISIN :</td> <td></td> </tr> </table>	BOOK BUILT ISSUE	Bid cum Application Form No. _____	ISIN :	
BOOK BUILT ISSUE	Bid cum Application Form No. _____					
ISIN :						
SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER				
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	Mr. / Ms. _____				
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	Address _____				
		Tel. No (with STD code) / Mobile _____				
		Email _____				
		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 - MF				
		<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				
		<small>* HUF should apply only through Karza (Application by HUF would be treated on par with Individual)</small>				
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)	<input type="checkbox"/> Retail Individual Bidder				
	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)	<input type="checkbox"/> Non-Institutional Bidder				
	Bid Price Retail Discount Net Price "Cut-off" (Please tick)	<input type="checkbox"/> QIB				
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 _____						
<small>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 ABBREGED 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.</small>						
8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. 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 line	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)				
Date : _____	1) _____ 2) _____ 3) _____					
TEAR HERE						
LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/ DP/RTA				
		Bid cum Application Form No. _____				
DPID / CLID	PAN of Sole / First Bidder					
Amount paid (₹ in figures) _____	Bank & Branch _____	Stamp & Signature of SCSB Branch _____				
ASBA Bank A/c No. _____						
Received from Mr./Ms. _____						
Telephone / Mobile _____	Email _____					
TEAR HERE						
XYZ LIMITED - INITIAL PUBLIC ISSUE - R	Option 1 Option 2 Option 3	Name of Sole / First Bidder				
No. of Equity Shares		Stamp & Signature of Broker / SCSB / DP / RTA				
Bid Price						
Amount Paid (₹)		Acknowledgement Slip for Bidder				
ASBA Bank A/c No. _____						
Bank & Branch _____		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 Issue only for correspondence(s) related to an Issue 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 Issue, 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 Issue.
- 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/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue 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 Issue 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, the Selling Shareholders 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 ₹ 2,00,000.



- b) In case the Bid Amount exceeds ₹ 2,00,000 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 ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 2,00,000 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 ₹ 2,00,000 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 Cut off Price.
- e) RII may revise or withdraw their bids until Bid/ Issue 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 ₹ 2,00,000 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/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the Issue 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 Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue 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 Issue 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.



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- 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 issue 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 Issue 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 one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue 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 Issue, 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 Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue 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 Issue 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 Issue 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 Issue, 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 Issue 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.



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- 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 Issue, or until withdrawal or rejection of the Bid, as the case may be.
 - n) SCSBs bidding in the Issue 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 Issue 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 Issue, 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 Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/ Issue 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 Issue, Bidders may refer to the RHP/Prospectus.
- c) The Bidders entitled to the applicable Discount in the Issue 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



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- 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 Issue should be addressed as under:
 - 1) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
 - 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 Issue.
- 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/ Issue 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.



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- b) RII may revise their bids or withdraw their Bids till the Bid/ Issue 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/ Issue 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:



TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
Address : Contact Details : CIN No		

LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN :	Bid cum Application Form No.
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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 _____	
		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 (Bids 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"
									3	2	1	3	2	1	3	2	1	(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 (Bids 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"
									3	2	1	3	2	1	3	2	1	(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 issue	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : _____	1) _____ 2) _____ 3) _____	

TEAR HERE

LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No.
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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	

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder	
	No. of Equity Shares					
	Bid Price					
	Additional Amount Paid (₹)					
ASBA Bank A/c No. _____				Acknowledgement Slip for Bidder		
Bank & Branch _____						
				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 Issue 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 Issue 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 Issue 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, the Selling Shareholders in consultation with the Lead Manager to the Issue (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 Issue 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 Issue 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 Issue 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.



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- 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 Issue 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 Issue, 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 Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue 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 Issue, or until withdrawal or rejection of the Application, as the case may be.
- l) SCSBs applying in the Issue 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 Issue 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 Issue, 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 Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Issue 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 Issue, applicants may refer to the Prospectus.
- c) The Applicants entitled to the applicable Discount in the Issue 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	To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	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 Issue 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 Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- a) During the Bid/ Issue 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/ Issue 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/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue 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/ Issue 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/ Issue Period.

5.4 WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue 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 Issue 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 Red Herring 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/ Issue Opening Date advertisement and as per the instructions in the RHP/ Prospectus 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 Issue;
- 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 Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue 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 Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP/ Prospectus.
- 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 Issue; 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, Issue 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 Issue 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 and the Selling Shareholders, in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue 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/ Prospectus or advertise the Floor Price at least one Working Day prior to the Bid/ Issue 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 Issue. As the Issue Price is mentioned in the Fixed Price Issue 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/Issue Opening Date.

In a fixed price Issue, allocation in the net issue 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 Issue (excluding any Offer for Sale of specified securities). However, in case the Issue 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 Issue 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 Issue 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 Issue 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 Issue 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 Issue 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 Issue 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 Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue 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 Issue 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 Issue 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 Issue 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 Issue 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 Issue 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 Issue 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 Issue Price is higher than the Anchor Investor Issue 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 Issue Price and the Anchor Investor Issue 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 Issue Price is lower than the Anchor Investor Issue 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 Issue 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 Issue. 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/Prospectus. 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 Issue.
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 Issue.
- 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/ Issue 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/ Issue Closing Date. The Registrar to the Issue 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/ Issue 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 Issue (excluding any Issue 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/ Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue, 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 Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Issue 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/ Issue Closing Date, the Registrar to the Issue 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/ Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- c) In case of Anchor Investors, the Registrar to the Issue 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 Issue, 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/ Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue 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 Issue to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotments 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 Invest or Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus/ 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 Issue / Escrow Collection Bank(s) / Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue 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 Issue
Bid	An indication to make an Issue during the Bid/ Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/ Issue Period by the Anchor Investors, to subscribe for or purchase the Equity



Term	Description
	Shares of the Issuer at a price within the Price Band, including all revisions and modifications there to. 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 up on 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/ Issue 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 Issue, which may be notified in an English national daily, a Hindi national daily and a regional language news paper 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/ Issue Closing Date
Bid/ Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, 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/ Issue Opening Date
Bid/ Issue Period	Except in the case of Anchor Investors(if applicable),the period between the Bid/ Issue Opening Date and the Bid/ Issue 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/ Issue Period for QIBs one working day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations,2009. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/ Issue 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 Issue 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 Issue 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 Issue Price and the Anchor Investor Issue 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



Term	Description
Cut-off Price	Issue Price, finalised by the Issuer and the Selling Shareholders 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. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
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 Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue 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 Selling Shareholders, the Registrar to the Issue, 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



Term	Description
	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 Issue
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 Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue 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 Issue or invitation under the Issue 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 Issue	The Issue 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 M 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue 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 Shareholders



Term	Description
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
Issue 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 Issue Price The Issue Price may be decided by the Issuer and the Selling Shareholders 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 Issue may be decided by the Issuer and the Selling Shareholders 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/ Issue 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 and the Selling Shareholders in consultation with the Book Running Lead Manager(s), finalise the Issue 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 Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue 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 Issue. The RHP may be filed with the RoC at least three working days before the Bid/ Issue 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 Issue /RTO	The Registrar to the Issue 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 Issue 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



Term	Description
	₹200,000.
Retail Category	The portion of the Issue 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 Bid cum Application Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/ 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 Issue 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 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/ Issue 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 consolidated FDI Policy, which with effect from June 07, 2016 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 June 7, 2016. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to 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 Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

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 Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.



SECTION X – MAIN PROVISIONS OF ARTICLE OF ASSOCIATION

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 July 13, 2016.

SHARE CAPITAL

The Authorized Share Capital

- (a) The Authorized Share Capital of the Company will be as that specified in Clause V of the Memorandum of Association from time to time in accordance with the regulations of the Company and the legislative provision for the time being in force in this behalf and power to divide the Share Capital into Equity Share Capital or Preference Share Capital and to attach thereto respectively, any preferential, qualified or special rights, privileges or conditions, and to vary, modify and abrogate the same in such manner as may be determined by or in accordance with these presents, provided however that where any Government has made an order under sub-section 4 of Section 62 of the Companies Act, 2013 directing that any debenture issued by the Company or loan taken by the Company or any part thereof shall be converted into shares of the Company and no appeal has been preferred to the Tribunal under sub-section (4) of Section 62 of the Companies Act, 2013, or where such appeal has been dismissed, the memorandum of the Company shall, where such order has the effect of increasing the Authorized Share Capital, stand altered and the Authorized Share Capital of the Company shall stand increased by an amount equal to the amount of the value of the shares into which such debentures or loans or part thereof has been converted.

Preference Shares, Rights of Holders

- (b) The holders of Preference Shares shall be entitled to be paid out of the profits which the Directors shall determine to distribute by way of dividend, a fixed cumulative preferential dividend at such rates as maybe fixed by the Company (free of Company's tax but subject to deduction of tax at source at the prescribed rate), on the amount credited as paid up thereon and to the right, on winding up, to be paid all arrears of preferential dividend, whether earned or declared or not, down to the commencement of winding up, and also to be repaid the amount of capital paid or credited as paid up on the Preference Shares held by them respectively in priority to any payment in respect of Equity Shares, but shall not be entitled to any other rights in the profits or assets of the Company.

Subject as aforesaid and to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the Equity Shares, in the event of the winding up of the Company, the holders of the Equity Shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such shares and all surplus assets thereafter shall belong to the holders of the Equity Shares in proportion to the amount paid up or credited as paid up on such Equity Shares respectively at the commencement of the winding up.

- (c) Subject to the provisions of Section 80 of the Companies Act, 1956 (as may be applicable) and Section 55 of the Companies Act, 2013 (as may be applicable) the following provisions shall apply in regards to redemption of Cumulative Preference Shares:
- (i) The Company may subject to the terms of issue at any time but in any event not later than twenty years from the issue of shares apply any profits or monies of the Company which may be lawfully applied for the purpose in the redemption of the preference shares at par together with a sum equal to arrears of dividend thereon down to the date of redemption.
 - (ii) In the case of any partial redemption under sub-clause (c)(a) of this Article, the Company shall for the purpose of ascertaining the particular shares to be redeemed, cause a drawing to be made at the office or at such other place as the Directors may decide, in the presence of a representative of the Auditors for the time being of the Company.
 - (iii) Forthwith after every such drawing the Company shall give to the holders of the shares drawn for



redemption notice in writing of the Company's intention to redeem the same fixing a time (not less than three months thereafter) and the place for the redemption and surrender of the shares to be redeemed.

- (iv) At the time and place so fixed each holder shall be bound to surrender to the Company the Certificate for his shares to be redeemed and the Company shall pay to him the amount payable in respect of such redemption and where any such Certificate comprises any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh Certificate there for.
- (d) Subject to the provisions of the Articles, the Company shall be entitled to create and issue further Preference Shares ranking in all or any respects pari-passu with the said Preference Shares, PROVIDED in the event of its creating and/or issuing Preference Shares in future, ranking pari-passu with the Preference Shares proposed to be issued, the Company would do so only with the consent of the holders of not less than three-fourths of the Preference Shares then outstanding.
- (e) The Preference Shares shall not confer on the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47(2) of the Companies Act, 2013.
- (f) The rights, privileges and conditions for the time being attached to the Preference Shares may be varied, modified or abrogated in accordance with the provisions of these Articles and of the Act.

Increase of capital by the Company and how carried into effect

- (a) The Company in general meeting may, by ordinary resolution from time to time, increase the capital by creation of new shares of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the resolution shall prescribe, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at general meeting of the Company in conformity with Sections 47 and 55 of the Companies Act, 2013.
- (b) Whenever the capital of the Company has been increased under the provisions of this Article the Company shall file with the Registrar notice of the increase of capital as required by Section 64 of the Companies Act, 2013 within thirty days of the passing of the resolution authorizing the increase, or of the receipt of the order of the Government or consequent upon an order made by the Government under Section 62 of the Companies Act, 2013.

Capital of two kinds only

- 4. Neither the original capital nor any increased capital shall be more than two kinds, namely (i) Equity Share Capital and (ii) Preference Share Capital, as defined in Section 43 of the Companies Act, 2013.

New Capital same as existing capital

- 5. Except in so far as otherwise provided by the conditions of issue or by these Articles any capital raised by creation of new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Preference Shares

- 6. Subject to the provisions of Section 55 of the Companies Act, 2013, the Company shall have the power to issue Preference Shares which are or at the option of the Company are to be liable to the redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.



Provisions to apply on Issue of Preference Shares

7. On the issue of Preference Shares under the provisions of Article 7 hereof and subject to the provisions of the Act, the following provisions shall take effect :
- (a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption.
 - (b) No such shares shall be redeemed unless they are fully paid.
 - (c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's Securities Premium Account, before the shares are redeemed.
 - (d) Where such shares are proposed to be redeemed out of the profits of the Company, there shall out of such profits, be transferred to a reserve fund to be called 'The Capital Redemption Reserve Account', a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Companies Act, 2013 relating to the reduction of the Share Capital of the Company shall, except as provided in Section 55 of the Companies Act, 2013, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
 - (e) Subject to the provisions of Section 55 of the Companies Act, 2013, the redemption of Preference Shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.

Reduction of Capital

8. The Company may from time to time by special resolution, subject to confirmation by the Court or the Tribunal (as may be applicable) and subject to the provisions of Sections 52, 55 and 66 of the Companies Act, 2013 and other applicable provisions, if any, reduce its share capital in any manner and in particular may
- (a) extinguish or reduce the liability on any of its shares in respect of the share capital not paid-up; or
 - (b) either with or without extinguishing or reducing the liability on any of its shares, -
cancel any paid-up share capital which is lost or is unrepresented by available assets;
Pay off any paid-up share capital which is in excess of the wants of the Company.

Buy Back of Shares

9. Notwithstanding anything contained in these Articles, the Company may purchase its own shares or other securities, and the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions and subject to such approvals, as may be permitted by law.

Variation in terms of contract or objects in prospectus

10. The Company shall not, at any time, vary the terms of a contract referred to in prospectus or objects for which the prospectus was issued, except subject to the approval of, or except subject to an authority given by the Company in General Meeting by way of special resolution, and in accordance with the provisions of the Act. Provided that the Company shall not use any amount raised by it through Prospectus for buying, trading or otherwise dealing in equity shares of any other listed Company. The dissenting shareholders of the Company, being the shareholders who have not agreed to the proposal to vary the terms of the contracts or the objects referred to in the prospectus, shall be given an exit offer by the promoters or controlling shareholders of the company, at the fair market value of the equity shares as on the date of the resolution of the Board of Directors recommending such variation in the terms of the contracts or the objects referred to in the prospectus, in accordance with such terms and conditions as may be specified on this behalf by the Securities and Exchange Board of India.

Consolidation, division, sub-division and cancellation of shares



11. Subject to the provisions of Section 61 of the Companies Act, 2013, 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.

Whenever the Company does any one or more of the things provided for in the foregoing sub-clauses (a),(b), (c) and (d), the Company shall, within thirty days thereafter give notice thereof to the Registrar as required by Section 64 of the Companies Act, 2013 specifying, as the case may be, the shares consolidated, divided, sub-divided, converted into stock or cancelled.

12. Whenever the share capital of the Company, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Companies Act, 2013, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or by means of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article is not to derogate from any power; the Company would have if this Article was omitted. Provided that if variation by one class of shareholders of the Company affects the rights of any other class of shareholders of the Company, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this Article shall apply to such variation. The rights conferred upon the holders of the shares (including Preference Shares, if any) of any class issued with preferred or other rights or privileges shall unless otherwise expressly provided by the terms of the issue of shares of that class be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari-passu therewith.

SHARES, DEBENTURES, OTHER SECURITIES AND CERTIFICATES

Register and Index of Members

13. The Company shall cause to be kept and maintained, a Register of Members, register of debenture-holders, and a register of any other security holders in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares, debentures, or other securities held in material and dematerialized forms in any media as may be permitted by law including in any form of electronic media. The Company is authorized to, if so required by the Company, maintain a part of its register of members, register of debenture holders and / or register of any other security holders outside India (such part of the relevant register shall be called the “**Foreign Register**” and such Foreign Register shall contain the names and particulars of the members, debenture holders, other security holders or beneficial owners (as the case may be) residing outside India.

Dematerialization

14. (1) Notwithstanding anything to the contrary contained in these Articles, the Company shall be entitled to dematerialize and rematerialize its existing shares, debentures and other securities and/or to offer its fresh shares, debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed there under, if any, and the register and index of beneficial owners maintained by the relevant Depository under section 11 of the Depositories Act, 1996, shall be deemed to be the corresponding register and index maintained by the Company.

Options for Investors



- (2) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person, who is a beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed issue to the beneficial owner the required Certificates of Securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in the records the name of the allottee as the beneficial owner of the security.

Securities with Depositories to be in fungible form

- (3) All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 112 and such other applicable provisions of the Companies Act, 2013 shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

Rights of Depositories and Beneficial Owners

- (4) (a) Notwithstanding anything to the contrary contained in the Companies Act, 1956, the Companies Act, 2013 or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all liabilities in respect of the securities held by a Depository on behalf of the beneficial owner.

Service of Documents

15. Notwithstanding anything contained in the Companies Act, 1956, the Companies Act, 2013 or these Articles to the contrary, where securities are held with a Depository the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

Transfer of Securities

16. Nothing contained in Section 56 of the Companies Act, 2013, or these Articles shall apply to transfer of securities issued by the Company, affected by a transferor and transferee both of who are entered as beneficial owners in the records of a Depository.

Allotment of Securities dealt within a Depository

17. Notwithstanding anything contained in Section 56 of the Companies Act, 2013 or these Articles, where securities issued by the Company are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

Distinctive numbers of Securities held with a Depository

18. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company, shall apply to securities held with a Depository.

Restriction on Allotment and Return of Allotment

19. The Board of Directors shall observe the restrictions as to allotment of shares to the public, contained in Section 39 of the Companies Act, 2013, as well as any other applicable provisions of the Act, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013 and/or as may be prescribed under the Act.



Further Issue of Shares

20. (1) Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares either out of the unissued capital or out of the increased share capital then:
- (a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.
 - (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. Such notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
 - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right, PROVIDED THAT the Directors may decline, without assigning any reason, to allot any shares to any person in whose favour any member may renounce the shares offered to him.
 - (d) After the expiry of the time specified in the aforesaid notice, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner and to such person(s) as they, in their sole discretion, think fit, subject to the provisions of the Act. Which is not disadvantageous to the shareholders and the Company
- (2) Notwithstanding anything contained in sub-clause (1) hereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any matter whatsoever, subject to Section 62 of the Act:
- (a) If a special resolution to that effect is passed by the Company in general meeting, or
 - (b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the General Meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.
- (3) Nothing in sub clause (c) of clause (1) hereof shall be deemed:
- (a) to extend the time within which the offer should be accepted: or
 - (b) to authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or the terms of any loans raised by the Company:
- (a) To convert such debentures or loans into shares in the Company; or
 - (b) To subscribe for shares in the Company.

PROVIDED that the terms of issue of such debentures or terms of such loan containing such an option have been approved before the issue of such debentures or the raising of such loan by a special resolution passed by the Company in a General Meeting.

- (5) Notwithstanding anything contained in sub-clause (3) above, where any debentures have been issued or loan



has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion. Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.

- (6) In determining the terms and conditions of conversion under sub- clause (4), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.
- (7) Where the Government has, by an order made under sub-clause (5), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under sub-clause (5) or where such appeal has been dismissed, the Memorandum of the Company shall, where such order has the effect of increasing the authorized share capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

Application of premium received on shares

21. (1) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to an account, to be called "THE SECURITIES PREMIUM ACCOUNT" and the provisions of the Companies Act, 2013 relating to reduction of share capital of the Company shall, except as provided in this Article, apply as if the securities premium account were the paid-up share capital of the Company.
- (2) Notwithstanding anything contained in clause (1) above but subject to the provisions of Section 52 of the Companies Act, 2013, the securities premium account may be applied by the Company-
 - (a) towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus;
 - (b) in writing off the preliminary expenses of the Company;
 - (c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company;
 - (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company; or
 - (e) for the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013.

Power also to Company in General Meeting to issue shares

22. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 21 and 22, the Company in a General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013 and 108A of the Companies Act, 1956, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) be offered to such persons (whether members or not) in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Sections 52, 53 and 54 of the Companies Act, 2013) as such General Meeting shall determine and with full power to give any person whether a member or not the option to call for or be allotted shares of any class of the Company either at a premium or at par or at a discount (subject to compliance with the provisions of Sections 52, 53 and 54 of the Companies Act, 2013) such option being exercisable at such time and for such consideration as may be directed by such General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any such shares.

Shares at a discount

23. Except as provided in Section 54 of the Companies Act, 2013, the Company shall not issue shares at a



discount. Any share issued by the Company at a discounted price shall be void.

Instalments on shares to be duly paid

24. If by the conditions of any allotment of any share, the whole or any part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the shares or his legal representatives.

Shares at the disposal of the Directors

25. Subject to Section 62 and other applicable provision of the Act and these Articles, the shares in the capital of the Company for the time being 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 or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

Acceptance of shares

26. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who does or otherwise accepts any shares and whose name is on the Register shall, for the purpose of these Articles, be a member.

Board may allot shares as fully-paid or partly paid-up

27. Subject to the provisions of the Act and these presents the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery supplied or for services rendered to the Company and any shares which may be so allotted may be issued as fully paid-up or partly paid-up and if so issued shall be deemed to be fully paid-up shares or partly paid-up shares.

Deposit and Call etc. to be a debt payable

28. The money (if any) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members

29. Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands shall be liable to pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon in such amounts, at such time or times and in such manner as the Board of Directors shall from time to time require or fix for the payment thereof.

Limitation of time for issue of certificates

30. (1) Every member shall be entitled, without payment, to receive one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or



renewal of any of its shares as the case may be. Every share certificate shall be under the Seal of the Company and shall specify the number and the distinctive number(s) of the shares in respect of which it was issued and the amount paid up thereon and shall be in such form as the directors may prescribe. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in case of issue of bonus shares. PROVIDED THAT if the letter of allotment is lost or destroyed the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence. The certificate shall be signed in conformity with the provisions of the Companies (Share Capital and Debenture) Rules, 2014 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank forms to be used for issue of Share Certificates and maintenance of books and documents relating to issue of Share Certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within such time frame as may be prescribed in this regard after the allotment.

In respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.

Issue of new certificate in place of one defaced, lost or destroyed

- (2) Subject to provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014, if any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof, to the satisfaction of the Company and on execution of such indemnity as the Company may deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees as the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. PROVIDED THAT no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding the foregoing provisions of Article 30 the Directors shall comply with applicable law including such rules or regulation or requirements of any stock exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf for the time being in force.

The provisions of this Article shall mutatis mutandis apply to issue of the certificates for any other securities including the debentures of the Company.

Sub-division of shares

31. Notwithstanding anything contained in Article 30, the Board of Directors may refuse applications for subdivision of Share Certificate into denominations of less than the marketable lot for the time being in force, except when such sub-division is required to be made to comply with a statutory order or an order of a competent court of law or to remedy a genuine mistake of fact or law.

PROVIDED THAT the Directors may, at their discretion, in case of genuine needs, allow sub-division of share certificates in denomination of less than the marketable lots, and may, if necessary, require production of suitable documentary evidence there for.

The first named joint holders deemed sole holder

32. If any share stands in the names of two or more persons, the first named in the Register shall, as regards receipt of dividends or bonus or service of notice or any other matter connected with the Company, except voting at meetings and the transfer of the shares, be deemed the sole holder thereof but the joint holders of a share shall severally as well as jointly be liable for the payment of all instalments and calls due in respect of such share, and for all incidents thereof according to the provisions of the Act.

Company not bound to recognize any interest in share other than of registered holder



33. Except as ordered by a court / Tribunal of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the beneficial owner thereof and accordingly shall not be bound to recognize any benami trust, or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any two or more persons or the survivor or survivors of them.

Nomination

34. Notwithstanding anything contained hereinabove, a Member has a right to nominate one or more persons as his/her nominee(s) to be entitled to the rights and privileges as may be permitted under the law, of such a member in the event of death of the said member/s subject to the provisions of the Companies Act, 2013, and other applicable laws.

Declarations in respect of beneficial interest in any share

35. When any declaration is filed with the Company under the provisions of Section 89 of the Companies Act, 2013, (i) by any holder of shares who does not hold beneficial interest in such share specifying the particulars of the person holding beneficial interest in such shares, or (ii) by a person who holds or acquires a beneficial interest in any share of the Company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the Company and such other particulars as may be prescribed, the Company, or (iii) by the person referred to in (i) and the beneficial owner referred to in (ii) where any change occurs in the beneficial interest of such shares, the Company shall make a note of such declaration in its concerned register and file, within 30 days from the date of receipt of the declaration by it, a return with the Registrar with regard to such declaration together with the prescribed fees for the same.

No purchase or giving of loans to purchase Company's shares

36. Save as provided in Section 67 of the Companies Act, 2013, the Company shall not have the power to buy its own shares unless the consequent reduction of share capital is effected under the provisions of the Companies Act, 2013. The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any share in the Company or in its holding Company.

UNDERWRITING

Commission may be paid

37. Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures or debenture stock in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture-stock of the Company, but so that the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of debentures two and a half per cent of the price at which the debentures are issued. Such commission shall be paid either out of the proceeds of the issue or the profit of the Company or both. Subject to the provisions of the Act, any commission payable as aforesaid may be satisfied by payment of cash or by allotment of fully or partly paid shares or debentures as the case may be or partly in one way and partly in the other.

Commission to be included in the Annual Return

38. Where the Company has paid any sum by way of commission in respect of any shares or debentures such statement thereof shall be made in the Annual Return as required by Section 92 of the Companies Act, 2013.

INTEREST OUT OF CAPITAL

Interest out of Capital



39. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provisions of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by the Act, and may charge the same to Capital as part of the cost of construction of the work or building or the provisions of the plant.

CALLS

Directors may make Calls

40. Subject to the provisions of Section 49 of the Companies Act, 2013, the Board of Directors may, from time to time, by a Resolution passed at a meeting (and not by a Circular Resolution), make such calls as it thinks fit upon the members in respect of all monies unpaid on the shares held by them (whether on account of the nominal value of the shares or by way of premium), and not by conditions of allotment thereof made payable at fixed time. Each member shall pay the amount of every call so made on him to the person or persons and at the time and place appointed by the Board of Directors. A call may be made payable by instalments. A call may be postponed or revoked as the Board may determine.

Notice of Calls

41. At least fourteen days' notice in writing of any call shall be given by the Company specifying the time or times and place of payment, and the person or persons to whom such call shall be paid.

Call to date from resolution

42. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.

Directors may extend time

43. The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such times as to all or any of the members who on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension; but no member shall be entitled to such extension as of right except as a matter of grace and favour.

Amount payable at fixed time or by instalments to be treated as calls

44. If by the terms of issue of any share or otherwise any amount is or becomes payable at any fixed time or by instalments at fixed times (whether on account of the nominal amount of the shares or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

When interest on call or instalment payable

45. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for the payment thereof the holder for the time being or allottee of the share in respect of which the call shall have been made or the instalment shall be due, shall pay interest on the same at such rates as may be fixed by the Board of Directors from the day appointed for the payment thereof to the time of actual payment but the Directors may, in their absolute discretion, waive payment of such interest wholly or in part.

Evidence in actions by Company against shareholders

46. On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives for the recovery of any monies claimed to be due to the Company for any call in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered is entered in the Register of Members as the holder or as one of the holders of the



shares at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever and the proof of the matters aforesaid shall be conclusive evidence of the debt.

Partial payment not to preclude forfeiture

47. Neither a judgment nor a decree in favour of the Company for the calls or other monies due in respect of any shares nor the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his share, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in anticipation of calls may carry interest

48. The Board of Directors may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance or so much thereof from time to time as exceeds the amount of the calls then made upon shares in respect of which such advance has been made, the Company may pay interest, at such rate, not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may at any time repay the amount so advanced. The member paying any such sum in advance shall not be entitled to dividend or to participate in the profits of the Company or to voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

LIEN

Company's lien on shares/debentures

49. The Company shall have a first and paramount lien upon all shares/debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not), called or payable at a fixed time in respect of such shares/debentures and no equitable interests in any such share shall be created except upon the footing and condition that this Article is to have full effect. Any such lien shall extend to all dividends payable and bonuses declared from time to time declared in respect of shares/debentures. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. PROVIDED THAT the Board of Directors may, at any time, declare any share/debenture to be wholly or in part exempt from the provisions of this Article.

Fully paid-up share shall be free from all lien and in the case of partly paid-up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

As to enforcing lien by sale

50. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same. 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 the notice in writing 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. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such shares and may authorize out of their members to execute a transfer thereof on behalf of and in the name of



such members.

Transfer of shares sold under lien

51. (1) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (2) The Purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (3) 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.

Application of proceeds of sale

52. (1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable; and
- (2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).

FORFEITURE OF SHARES

If money payable on share not paid notice to be given to member.

53. If any member fails to pay any call or any instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter, during such time as the call for instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non- payment.

If call or instalment not paid, notice may be given.

54. For the purpose of the provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.

Form of notice

55. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

If default of payment, shares to be forfeited

56. If the requirements of any such notice as aforesaid are not complied with, every or any share in respect of which such notice has been given, may at any time thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a Resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited shares and not actually paid before the forfeiture.

Notice of forfeiture to a member

57. When any share shall have so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Member, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

Forfeited share to be the property of the Company and may be sold etc.



58. Any share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit. The Board may decide to cancel such shares.

Member still liable to pay money owing at the time of forfeiture and interest

59. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding twelve per cent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such monies or any part thereof, if it thinks fit, but shall not be under any obligation so to do.

Effect of forfeiture

60. The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

Power to annul forfeiture

61. The Board of Directors may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

Validity of forfeiture

62. (1) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, 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;
- (2) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (3) The person to whom such share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the shares;
- (4) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, instalments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment;
- (5) Such purchaser or allottee 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, re-allotment or other disposal of the share.

Provision of these Articles as to forfeiture to apply in case of non-payment of any sum

63. The provisions of these Articles 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.

Cancellation of share certificates in respect of forfeited shares

64. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the Certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the persons entitled thereto.



Surrender of shares

65. The Directors may, subject to the provisions of the Companies Act, 2013, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

Register of Transfers

66. The Company shall keep a “Register of Transfers” and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share and debenture held in material form.

Transfer and Transmission of Shares and Securities held in electronic form

67. In the case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

Instrument of Transfer

68. The instrument of transfer of any share shall be in writing and all the provisions of Section 56 of the Companies Act, 2013 and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

- (1) An application for the registration and transfer of the shares in the Company may be made either by the transferor or the transferee.
- (2) Whether the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
- (3) For the purpose of sub-clause (2), above, notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

To be executed by transferor and transferee

69. Every such instrument of transfer duly stamped shall be executed by or on behalf of both the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. A common form of transfer shall be used.

Transfer by legal representation

70. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution to the instrument of transfer.

Transfer books when closed

71. The Board of Directors may, after giving not less than seven days previous notice by advertisement as required by Section 91 of the Companies Act, 2013 or such lesser period as may be specified by the Securities Exchange Board of India close the Transfer Books, the Register of Members or the Register of Debenture-holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year as it may seem expedient to the Board.

Directors may refuse to register transfers



72. (1) Subject to the provisions of Sections 58 and 59 of the Companies Act, 2013 and other applicable provisions of the Act or any other law for the time being in force, the Directors may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmissions by operation of law of the right to, any shares or debentures or interest of a Member in the Company. The Company shall within one month from the date of which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmissions, as the case may be, giving reasons for such refusal. PROVIDED THAT registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except if a company has lien on such shares. Transfer of shares/debentures in whatever lot shall not be refused.
- (2) No share shall in any circumstances be transferred to any minor, insolvent or person of unsound mind, unless represented by a guardian.

Notice of refusal to be given to transferor and transferee

73. If the Company refuses to register the transfer of any shares or transmission of any right therein, the Company shall within thirty days from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal to the transferee and the transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 58 of the Companies Act, 2013, or any statutory modification thereof for the time being in force shall apply.

Death of one or more joint-holders of shares

74. In case of the death of any one or more persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person

Titles to shares of deceased member

75. Except where a deceased member had made a nomination in respect of the shares held (in which case such shares shall be dealt with in the manner prescribed by the Act and the Rules there under), the executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the names of such member, and the Company shall not be bound to recognize such executors or administrators or holders of a succession certificate of the legal representative unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration, or Succession Certificate as the case may be, from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register under Article 79 the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member, as a member.

Registration of persons entitled to shares otherwise than by transfer (Transmission Clause)

76. Subject to the provisions of Articles 76 and 77 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by and lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board of Directors (which it shall not be under obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under these Articles, or of his title, as the Board of Directors shall require and upon giving such indemnity as the Directors shall require, either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Board of Directors registered as a member in respect of such shares PROVIDED NEVERTHELESS that if such person shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee as instrument of transfer in accordance with the provision herein contained, and until he does so, he shall not be freed from any liability in respect of such shares. This clause is herein referred to as the "TRANSMISSION CLAUSE".



Refusal to register Nominee

77. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any share or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

Directors entitled to refuse to register more than four joint holders

78. The Company shall be entitled to decline to register more than four persons as the holders of any share.

Persons entitled may receive dividend without being registered as member

79. A person entitled to a share by transmission shall subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the share.

Conditions of registration of transfer

80. Prior to the registration of a transfer, the certificate or certificates of the share or shares to be transferred, and if no such certificate is in existence, the Letter of Allotment of the shares, must be delivered to the Company along with (save as provided in Section 56 of the Act) a properly stamped and executed instrument of transfer, with the date of presentation of the instrument to the proper authorities, duly endorsed thereon.

No fee on transfer or transmission

81. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.

The Company not liable for disregard of a notice prohibiting registration of a transfer

82. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the register of members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book or the Company, but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.

COPIES OF MEMORANDUM AND ARTICLES OF ASSOCIATION TO BE SENT TO MEMBERS

Copies of Memorandum and Articles of Association to be sent by the Company to members

83. The Company shall subject to the payment of the fee prescribed under Section 17 of the Companies Act, 2013, or its statutory modification for the time being in force, on being so required by a member, send to him with seven days of the requirement, a copy of each of the following documents as in force for the time being.
- (a) The Memorandum,
 - (b) The Articles, and
 - (c) Every agreement and every resolution referred to in sub-section of Section 117 of the Companies Act, 2013, if and in so far as they have not been embodied in the Memorandum of the Company or these Articles.

BORROWING POWERS

Power to borrow

84. Subject to the provisions of Sections 177, 179 to 180 of the Companies Act, 2013 and of these Articles, the



Board of Directors may, from time to time at its discretion, accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company from any source. PROVIDED HOWEVER, where the monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves(not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in general meeting. No debt incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.

The payment or repayment of monies borrowed

85. The payment or repayment of monies borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a Resolution passed at a meeting of the Board (and not by Circular Resolution) by the issue of debentures of Debenture- Stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its uncalled capital for the time being, and the debentures and the Debenture-Stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Terms of issue of Debentures

86. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting)at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting, by a Special Resolution and subject to the permission of the Act.

Mortgage of uncalled capital

87. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

Register of charges etc. to be kept

88. The Board of Directors shall cause a proper register to be kept in accordance with the provisions of Section85 of the Companies Act, 2013 of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 71 and Sections 77 to 87 (both inclusive) of the Companies Act, 2013, in that behalf to be duly complied with, so far as they are to be complied with by the Company. The Company shall comply with the provisions of Section 79 of the Companies Act, 2013 as regards modification of a charge and its registration with the Registrar.

Register and Index of Debenture-holders

89. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture Holders in accordance with Section 88 of the Companies Act, 2013. The Company shall have the power to keep in any State or Country outside India a branch Register of Debenture-holders resident in the State or country.

MEETINGS OF MEMBERS

Annual General meeting

90. (1) The Company shall in each year hold, in addition to any other meetings, a general meeting as its Annual General Meeting in accordance with the provisions of Sections 96 and 129 of the Companies Act, 2013 and shall specify the meeting as such in the notice calling it, except in the case where the Registrar, has given an extension of time for holding any annual general meeting and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. PROVIDED THAT the



Registrar may, for any special reason, extend the time within which any annual general meeting shall be held, by a period not exceeding three months.

- (2) Every annual general meeting shall be called for any time during business hours, that is, between 9 a.m. and 6 p.m., on any day that is not a National Holiday (as defined under the Companies Act, 2013) and shall be held either at the registered office of the Company or at some other place within the city or town or village in which the registered office of the Company is situated for the time being.
- (3) Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concerns him as Auditor.

Report, Statement and Registers to be laid before the annual general meeting

91. At every annual general meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with Proxies, and the Register of Directors and Key Management Personnel maintained under Section 170 of the Companies Act, 2013.

Extra-Ordinary General Meeting

92. All general meetings other than annual general meeting shall be called Extra-Ordinary General Meeting.

Annual Return

93. The Company shall comply with the provisions of Section 92 of the Companies Act, 2013 regarding the filing of Annual Return and as regards the annual return and certificates to be annexed thereto.

Place of keeping & Inspection of registers & returns

94. (1) The Register required to be kept and maintained by the Company under Section 88 of the Companies Act, 2013 and copies of the annual return filed under Sections 92 of the Companies Act, 2013, shall be kept at the registered office of the Company. PROVIDED THAT such registers or copies of return may, also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved for this purpose by a Special Resolution passed in general meeting of the Company and the Registrar has been given a copy of the proposed Special Resolution in advance.

Inspection

- (2) (a) The registers and their indices, except when they are closed under the provisions of the Act, and the copies of all the returns shall be open for inspection by any member, debenture holder or other security holder or beneficial owner, during the business hours (subject to such reasonable restrictions as the Company may impose) without fee and by any other person on payment of such fees as may be prescribed under the Act and the rules made there under.

(b) Any such member, debenture-holder, other security holder or beneficial owner or any other person may take extracts from any register, or index or return without payment of any fee or require a copy of any such register or entries therein or return on payment of such fees as may be prescribed under the Act not exceeding ten rupees for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee
- (3) The Company shall cause any copy required by any person under Clause (b) of sub-clause (3) to be sent to that person within a period of seven days of the deposit of such fees exclusive of non-working days, commencing on the day next after the day on which the requirement is received by the Company.

Circulation of Members' Resolution

95. (1) Subject to the provisions of Section 111 of the Companies Act, 2013, the Directors shall on the requisition in writing of such number of members as required in Section 100 of the Companies Act, :-



-
- (a) give notice to the members of the Company of any resolution which may properly be moved and is intended to be moved at a meeting;
 - (b) Circulate to members, any statement with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.
- (2) Subject to the provisions of Section 100 of the Companies Act, 2013, the number of members necessary for a requisition under clause (1) hereof shall be such number or numbers who hold, on the date of receipt of the requisition, not less than one-tenth of the paid-up share capital of the Company as on that date carried the right of voting.
 - (3) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless :
 - (a) a copy of a requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the registered office of the Company-
 - i. in the case of a requisition requiring notice of resolution, not less than six weeks before the meeting,
 - ii. in the case of any other requisition not less than two weeks before the meeting, and
 - (b) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto. PROVIDED that if after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an annual general meeting is called on a date within six weeks after such copy has been deposited, the copy, although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purpose thereof.
 - (4) The Company shall not also be bound under this Article to circulate any statement, if, on the application either of the Company or of any other person who claims to be aggrieved, the Central Government by order declares that the rights conferred by this clause are being abused to secure needless publicity for defamatory matter.

Contents of requisition and number of requisitionists required and the conduct of meeting

96. In case of requisition the following provisions shall have effect :
- (a) The requisition shall set out the matters for the consideration of which the meeting is to be called, and shall be signed by the requisitionists and sent to the registered office of the Company.
 - (b) The number of members entitled to requisition an extraordinary general meeting shall be such number of members who hold at the date of the receipt of the requisition, not less than one-tenth of such of the paid up capital of the Company as on that date carries the right of voting.
 - (c) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of receipt of the requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.
 - (d) A meeting called under clause (3) by requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.
 - (e) Any reasonable expenses incurred by the requisitionists in calling a meeting under sub-clause (3) shall be reimbursed to the requisitionists by the Company, and any sums so paid shall be deducted from any fee or other remuneration under Section 197 of the Companies Act, 2013 payable to such of the Directors who were in default in calling the meeting.

Length of notice of meeting

97. A general meeting of the Company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be prescribed by the Act and the rules made



there under. Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.

Contents and manner of service of notice

98. (1) Every notice of a meeting of the Company shall specify the place, date, day and hour of the meeting and shall contain a statement of the business to be transacted thereat.
- (2) The notice of every meeting shall be given to:
- (a) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;
 - (b) the Auditor or Auditors for the time being of the Company; and
 - (c) every director of the Company.
- (3) In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a member entitled to attend and vote at the meeting is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member of the Company.

Special and ordinary business and explanatory statement

99. (1) (a) In the case of an annual general meeting, all business to be transacted at the meeting, shall be deemed special with the exception of business relating to:
- (i) The consideration of financial statements and the reports of the Board of Directors and Auditors;
 - (ii) The declaration of any dividend;
 - (iii) The appointment of Directors in the place of those retiring; and
 - (iv) The appointment of, and the fixing of the remuneration of the Auditors
- (b) In the case of any other meeting, all business shall be deemed special;
- (2) PROVIDED that where any item of special business to be transacted at a meeting of the Company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, Director, manager, if any, and of every other key managerial personnel of the Company shall, if the extent of such shareholding interest is not less than two per cent of the paid-up share capital of that company, also beset out in the statement.
- (3) Where any item of business refers to any document which is to be considered by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Omission to give notice not to invalidate a resolution passed

100. Any accidental omission to give any such notice as aforesaid to, or the non-receipt thereof by any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of any such meeting.

Notice of business to be given

101. No general meeting, annual or extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the meeting.

Quorum

102. The number of members prescribed under Section 103 of the Companies Act, 2013 and entitled to vote and present in person shall be a quorum for general meeting and no business shall be transacted at the general meeting unless the quorum requisite be present at the commencement of the meeting. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State, if he is a member of the Company, shall be deemed to be personally present if he is represented in accordance with Section 112 of the Companies Act, 2013.



Presence of quorum

103. (1) If within half an hour from the time appointed for holding a meeting of the Company the quorum is not present,
- (a) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board may determine; or
 - (b) the meeting, if called by requisitionists in accordance with Section 100 of the Companies Act, 2013, shall stand cancelled. Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under sub clause (a), the Company shall give not less than three days' notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.
- (2) If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum and may transact the business for which the meeting was called.

Resolution passed at adjourned meeting

104. Where a resolution is passed at an adjourned meeting of the Company, the resolution shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

Chairman of general meeting

105. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or shall decline to take the chair, the Directors present shall elect one of them as Chairman and if no Director be present or if the Directors present decline to take the chair, then the members present shall elect one of their members to be a Chairman. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected as a result of the poll he shall be the Chairman for the rest of the meeting.

Business confined to election of Chairman whilst chair vacant

106. No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

Chairman may adjourn Meeting

107. (1) The Chairman 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 from place to place.
- (2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Voting to be by show of hands in the first instance

108. At any general meeting, a resolution put to the vote of the meeting shall unless a poll is demanded under Section 109 of the Companies Act, 2013, or the voting is carried out electronically, be decided on a show of hands.

Chairman's declaration of result of voting on show of hands

109. A declaration by the Chairman that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceeding of the Company shall be conclusive evidence of the fact of passing of such resolution, or otherwise, without proof of the number or proportion of votes in favour or against such resolution.

Demand for poll



110. (1) Before or on the declaration of result of voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on demand made in that behalf by the members present in person or by proxy, where allowed, and having not less than one-tenth of the total voting power or holding shares on which an aggregate sum of not less than five lakh rupees or such higher amount as may be prescribed has been paid-up.
- (2) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Time of taking poll

111. A poll demanded for adjournment of the meeting or appointment of Chairman of the meeting shall be taken forthwith. A poll demanded on any question other than adjournment of the meeting or appointment of a Chairman shall be taken at such time, not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the meeting may direct.

Chairman's casting vote

112. In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.

Scrutinizers' at poll

113. Where a poll is to be taken, the Chairman of the meeting shall appoint one scrutinizer to scrutinize the vote given on the poll and to report thereon to him. Subject to the provisions of Section 109 of the Companies Act, 2013, the Chairman of the meeting shall have power to regulate the manner in which the poll shall be taken and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Demand for poll not to prevent transaction of other business

114. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

Vote by Postal Ballot

115. Subject to the provisions of Section 110 of the Companies Act, 2013 and these Articles, and as may be applicable by law, the Company shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and may, in respect of any item of business, other than ordinary business and any business in respect of which directors or Auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be prescribed, instead of transacting such business at a General Meeting.

Special notice

116. Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one percent of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up and the Company shall give its members notice of the resolution in such manner as may be prescribed.

Registration of documents with the Registrar

117. A copy of each of every resolutions or agreement in respect of the following matters together with the explanatory statement under Section 102 of the Companies Act, 2013, if any, annexed to the notice calling the meeting in which such resolution is proposed, shall be filed with the Registrar within thirty days of the passing or making thereof in such a manner and with such fees as may be prescribed within the time specified under Section 403 of the Companies Act, 2013:

- (a) Every special resolution.



- (b) Every resolution which has been agreed to by all members of the Company, but which, if not so agreed to, would not have been effective for the purpose unless it had been passed as a special resolution.
- (c) Every resolution of the Board of Directors or agreement executed by the Company relating to the appointment, re-appointment or renewal of appointment or variation in the terms of appointment of a Managing Director.
- (d) Every resolution or agreement which has been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for the purpose unless it had been passed by a specified majority or otherwise in some particular manner; and every resolution or agreement which effectively binds all the members or any class of shareholders though not agreed to by all those members.
- (e) Every resolution passed by the Company according consent to the exercise by the Board of Directors of any of the powers under clause (a), and clause (c) of sub-section (1) of the Section 180 of the Companies Act, 2013.
- (f) Every resolution requiring the Company to be wound up voluntarily passed in pursuance of Section 304 of the Companies Act, 2013.
- (g) Every resolution passed in pursuance of sub-section (3) of Section 179 of the Companies Act, 2013; and
- (h) Any other resolution or agreement as may be prescribed and placed in the public domain. Provided that the copy of every such resolution which has the effect of altering the Articles and the copy of every agreement referred to above shall be embodied in or annexed to, every copy of these Articles issued after the passing of the resolution or the making of the agreement.

VOTES OF MEMBERS

Member paying money in advance not to be entitled to vote in respect thereof

118. A member paying the whole or a part of the amount remaining unpaid on any share held by them although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment become presently payable.

Restriction on exercise of voting rights of members who have paid calls

119. No member shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

Number of votes to which member entitled

120. Subject to the provisions of Section 43 and sub-section (2) of Section 50 of the Companies Act, 2013, every member of the Company holding any equity share capital shall have a right to vote on every resolution placed before the Company; and his voting rights on a poll shall be in proportion to his share of the paid-up equity share capital of the Company. Every member holding any preference share capital of the Company, shall, in respect of such capital, have the right to vote only on resolutions placed before the Company which directly affect the rights attached to his preference shares and any resolution for the winding up of the Company or for the repayment or reduction of its equity or preference share capital and his voting rights on a poll shall be in proportion to his share in the paid up preference share capital of the Company. Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares: Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all there solutions placed before the Company

Vote of member of unsound mind

121. A member of unsound mind or in respect of whom 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.

Votes of joint members

122. If there be joint registered holders of any shares any one of such persons may vote at any meeting personally



or by an agent duly authorized under a Power of Attorney or by proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting, and, if more than one of such joint holders be present at any meeting either personally or by agent or by proxy, that one of the said persons so present who stands higher on the register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holder shall be entitled to be present at the meeting; provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register in respect of such shares. Several executors or administrators or a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.

Representation of body Corporate

123. (1) A body corporate (whether a company within the meaning of the Act or not) may,
- (a) if it is member of the Company by a resolution of its board of directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company;
 - (b) if it is a creditor, (including a holder of debentures of the Company) by a resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of the Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.
- (2) A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor or holder of debentures of the Company.

Representation of President and Governors in meetings

124. Where the President of India or the Governor of a State is a member of the Company, the President or, as the case may be, the Governor may appoint such person as he thinks fit, to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company and such a person shall be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a member of the Company.

Votes in respect of deceased or insolvent members

125. Any person entitled under the Transmission Clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his rights to transfer such shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Voting in person or by Proxy

126. Subject to the provisions of these Articles vote may be given either personally or by proxy.

Rights of members to use his votes differently

127. On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

Subject to the provisions of the Act and the rules made thereunder, any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself. Provided that a proxy so appointed shall not have the right to speak at the meeting and shall not be entitled to vote except on a poll. Provided further that a



person appointed as proxy shall act on behalf of such number of members not exceeding fifty and such number of shares as may be prescribed. Every notice convening a meeting of the Company shall state that a member entitled to attend and vote is entitled to appoint one or more proxies and that the proxy need not be a member.

Proxy either for specified meeting or for a period

128. An instrument of proxy may appoint a proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purposes of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

No proxy except for the corporation to vote on a show of hands

129. No member present only by proxy shall be entitled to vote on a show of hands.

Deposit of instrument of appointment

130. The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the office forty-eight hours before the time for holding the meetings at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

Form of proxy

131. Every instrument of proxy whether for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form set out in the Companies (Management and Administration) Rules, 2014 (or any corresponding amendment or modification thereof that may be prescribed).

Inspection of proxies

132. Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting, and ending with the conclusion of the meeting, to inspect proxies lodged, at any time during the business hours of the Company provided not less than three days 'notice in writing of the intention so as to inspect is given to the Company.

Validity of votes given by proxy notwithstanding revocation of authority

133. 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 revocation of the proxy or of any Power of Attorney or authority under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the office before the commencement of the meeting, or adjourned meeting at which the proxy is used.

Time for objections to vote

134. No objection shall be made to the qualification of any vote or to the validity of the vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting.

Chairman of any meeting to be the Judge of validity of any vote

135. The Chairman of any meeting shall be sole judge of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Custody of instrument

136. If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine, in



the custody of the Company. If embracing other objects, copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

DIRECTORS

Number of Directors

137. Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 149 and 151 of the Companies Act, 2013, the number of Directors shall not be less than 3 and not more than 15 and the manner of constituting the Board shall be as prescribed under the Act and as may be directed by the Securities and Exchange Board of India.

Directors

138. As on the date of adoption of this Articles of Association following are the Directors of the Company:
1. SURENDRA SINGH
 2. REKHA RAM
 3. LALIT SHARMA

Debenture Directors

139. Any Trust Deed for securing and covering the issue of debentures or debenture stocks of the Company, may provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture stocks, of some person to be a Director of the Company for and on behalf of the debenture holders for such period for which the debentures or any of them shall remain outstanding and may empower such Trustees or holder of debentures or debenture stocks, from time to time, to remove and reappoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

Nominee Directors

140. Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to (i) the Life Insurance Corporation of India (LIC), (ii) the Infrastructure Development Finance Company Limited, (iii) specified company referred to in the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002, (iv) institutions notified by the Central Government under sub-section (2) of Section 4A of the Companies Act, 1956, (v) such other institutions as may be notified by the Central Government in consultation with the Reserve Bank of India, or (vi) any other bank or entity providing financing facilities to the Company (each of the above is hereinafter in this Article referred to as "the Corporation") out of any loans/debentures assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time (which Director or Directors, is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also, at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The Nominee Director/s so appointed shall hold the said office only so long as any monies remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall, ipso facto, vacate such office immediately the monies owing by the Company to the Corporation are paid off or on the Corporation ceasing



to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Provided further that in the event of any remuneration payable to the Nominee Director/s, by way of commission, salary or perquisites (other than sitting fees and reimbursement of actual expenses incurred by them in attending to Company's work) such remuneration shall be paid only with the prior approval of the Central Government under Section 309/310 of the Companies Act, 1956. Provided further that in the event of the Nominee Director/s being appointed as Managing Director/Whole-time Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a Whole time Director in the management of the affairs of the Company. Such Whole Time Directors shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation. Provided further that the appointment of Nominee Director/s as Managing/Whole time Director/s, as aforesaid, is subject to the provisions of Sections 203 and 197 of the Companies Act, 2013 and any other applicable provisions of the Act and the rules made thereunder.

Special Directors

141. In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice, the Directors may authorize such company, corporation, firm or person (hereinafter referred to as "Collaborator") to appoint from time to time any person as a Director of the Company (hereinafter referred to as "Special Director") and subject to the provisions of the Act, may agree that such Special Directors shall not be liable to retire by rotation so however that Special Director shall hold office so long as such collaboration arrangement remains in force. The Collaborator may at any time and from time to time remove such Special Director appointed by it and may at any time after such removal and also in the case of death or resignation of the person so appointed, at any time nominate any other person as a Special Director in his place and such nomination or removal shall be made in writing signed by the Collaborator, his authorised representative and shall be delivered to the Company at its registered office. It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one such person as a Director and so that if more than one collaborator is so entitled there may be at any time as many Special Directors as the number of Collaborators eligible to make the appointment.

Limit on number of retiring Directors

142. The provisions of Articles 139, 140, 141 and 142 are subject to the provisions of Section 152 of the Companies Act, 2013, and the number of such Directors appointed under Articles 139, 140, 141 and 170 shall not exceed in the aggregate one-third of the total number of Directors for the time being in office. However, the Independent Director appointed under Section 152 of the Companies Act, 2013 will not be considered for the purpose of calculating the total number of directors liable for retirement by rotation and term of such Independent Director shall be as provided under Section 152 of the Companies Act, 2013.

Appointment of Alternate Director

143. The Board may appoint a person, not being a person holding any alternate directorship for any other Director in the Company (hereinafter called the Original Director) to act as an Alternate Director for the Original Director during his absence for a period of not less than three months from India. Provided that no person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an independent director under the provisions of the Act. Every such Alternate Director, shall subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of



meeting of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director is determined before he returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Directors may fill Vacancies

144. The Directors shall have power at any time and from time to time to appoint any qualified person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall retain his office only up to the date up to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.

Additional Director

145. The Directors shall also have power at any time and from time to time to appoint any other qualified person, other than a person who fails to get appointed as a director in a general meeting of the Company, to be an Additional Director who shall hold office only up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

Qualification of Directors

146. A Director shall not be required to hold any qualification shares.

Remuneration of Directors

147. The remuneration payable to a non-whole-time-Director for attending each meeting of the Board or a Committee thereof shall be such sum as may be fixed by the Board of Directors not exceeding the maximum as may be prescribed by the Act (and the rules made thereunder), SEBI, or by the Central Government. The Directors, subject to the sanction of the Central Government (if any required), may be paid such further remuneration as the Company in general meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine; and in default of such determination shall be divided among the Directors equally.

Extra remuneration to Directors for special Work

148. Subject to the provisions of Sections 197 and 188 of the Companies Act, 2013 and other applicable provisions of the Act and the rules made thereunder, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a member of any committee formed by the Directors or in relation to signing share certificates) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company shall remunerate the Director so doing either by fixed sum or otherwise as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his share in the remuneration above provided.

Travelling expenses incurred by Directors on Company's business

149. The Board of Directors may subject to the limitations provided by the Act allow and pay to any Directors who attends a meeting at a place other than his usual place or residence for the purpose of attending a meeting, such sum as the Board may consider fair compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

Directors may act notwithstanding vacancy

150. The Continuing Directors may act notwithstanding any vacancy in their body, but if and as long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board of Directors, the Continuing Directors may act for the purpose of filling vacancies to increase the number of Directors to that fixed for the quorum or for summoning a general meeting of the Company, but for no other purpose.



Disqualification for appointment of Directors

151. (1) Subject to the provisions of Section 164 and 165 of the Companies Act, 2013, a person shall not be capable of being appointed Director of the Company, if –
- (a) he is of unsound mind and stands so declared by a Court of competent jurisdiction;
 - (b) he is an undischarged insolvent;
 - (c) he has applied to be adjudged an insolvent and his application is pending;
 - (d) he has been convicted by a court of any offence involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director of the Company.
 - (e) he has not paid any call in respect of shares of the Company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
 - (f) he has been convicted of the offence dealing with related party transactions under Section 188 of the Companies Act, 2013 at any time during the last preceding five years; or
 - (g) he has not complied with sub-section (3) of Section 152 of the Companies Act, 2013.
- (2) No person who is or has been a director of a company, where the company—
- (a) has not filed financial statements or annual returns for any continuous period of three financial years; or
 - (b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

Vacation of office by Directors

152. Subject to the provisions of Section 167 of the Companies Act, 2013, the office of a Director shall become vacant if :
- i. he incurs any of the disqualifications specified in Section 164 of the Companies Act, 2013;
 - ii. he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
 - iii. he acts in contravention of the provisions of Section 184 of the Companies Act, 2013, relating to entering into contracts or arrangements in which he is directly or indirectly interested;
 - iv. he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Companies Act, 2013;
 - v. he becomes disqualified by an order of a court or the Tribunal;
 - vi. he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months: Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;
 - vii. he is removed in pursuance of the provisions of the Act;
 - viii. he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

Removal of Directors

153. (1) The Company may (subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles) by ordinary resolution remove any Director before the expiry of his period of office. Provided that nothing contained in this sub-clause shall apply where the Company has availed itself of the option given to it under Section 163 of the Companies Act, 2013, to appoint not less than two-thirds of the total number of directors according to the principle of proportional representation.
- (2) Special notice shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
- (3) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith



send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

- (4) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so - (a) in the notice of the resolution given to the members of the Company, state the fact of the representations having been made, and (b) send a copy of the representations to every member of the Company to whom notice of the meeting is sent (before or after the receipt of the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting: Provided that copies of the representations need not be sent or read out at the meeting if on the application either of the Company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter, and the Tribunal may order the Company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.
- (5) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board be filled by the appointment of another director in his stead at the meeting at which he is removed; Provided special notice of the intended appointment has been given. A Director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed as aforesaid.
- (6) If the vacancy is not filled under sub-clause (5), it may be filled as a casual vacancy in accordance with the provisions of the Act.
- (7) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.
- (8) Nothing contained in this Article shall be taken:
 - (a) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or
 - (b) As derogating from any power to remove a Director under the provisions of the Act.

Disclosure of Director's Interest

154. (1) Every Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors, in the manner provided in Section 184 of the Companies Act, 2013.
- (2) Every director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—
 - with a body corporate in which such Director or such Director in association with any other Director, holds more than two per cent of the shareholding of that body corporate, or is a promoter, manager, chief executive officer of that body corporate; or
 - with a firm or other entity in which, such Director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting: Provided that where any Director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.
 - (3) Nothing in this Article shall –
 - (a) be taken to prejudice the operation of any rule of law restricting a Director of the Company from having any concern or interest in any contract or arrangement with the Company;
 - (b) apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any one or more of the Directors of the Company together holds or hold not more



than two percent of the paid up share capital in other company.

Board resolution necessary for certain contracts

155. (1) Except with the consent of the Board of Directors of the Company (or the Audit Committee) given by a resolution at a meeting of the Board and subject to such conditions as may be prescribed by the Company, a Company shall not enter into any contract or arrangement with a related party with respect to,
- (i) sale, purchase or supply of any goods or materials;
 - (ii) selling or otherwise disposing of, or buying, property of any kind;
 - (iii) leasing of property of any kind;
 - (iv) availing or rendering of any services;
 - (v) appointment of any agent for purchase or sale of goods, materials, services or property;
 - (vi) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
 - (vii) underwriting the subscription of any securities or derivatives thereof, of the company:

Notwithstanding the provisions of this sub- clause (1) of this Article, where prescribed, the Company shall enter into such contracts and / or arrangements only with the prior approval of the members of the Company by a special resolution. However, no member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party: It is clarified that this sub-clause shall not apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.

- (2) Every contract or arrangement entered into under sub-clause (1) shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.

Disclosure to the members of Director's interest in contract in appointing manager If the Company –

- (a) enters into a contract for the appointment of a manager or a Managing Director of the Company in which contract any Director of the Company is in any way directly or indirectly concerned or interested, or
- (b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Companies Act, 1956 or other applicable provisions of law shall be complied with.

Loans to Directors etc.

156. Subject to the provisions of Section 185 of the Companies Act, 2013, the Company shall not, directly or indirectly make any loan to any of its directors or to any other person in whom the director is interested or give any guarantee or provide any security in connection with a loan taken by him or such other person.

Loans etc. to Companies

157. The Company shall observe the restrictions imposed on the Company in regard to making any loans, giving any guarantee or providing any security to the companies or bodies corporate under the same management as provided in Section 186 of the Companies Act, 2013.

Interested Director not to participate or to vote In Board's proceedings.

158. No Director of the Company shall as a Director take any part in the discussion of or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, it shall be void;

ROTATION & APPOINTMENT OF DIRECTORS

Directors may be Directors of Companies promoted by the Company

159. A Director may be or become a Director of any Company or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as Director or



shareholder of such Company except in so far as Section 197 or Section 188 of the Companies Act, 2013 (and the rules made thereunder) may be applicable.

Rotation of Directors

160. Not less than two-thirds of the total number of Directors shall (a) be persons whose period of the office is liable to determination by retirement of Directors by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.

Retirement of Directors

161. Subject to the provisions of Section 284(5) of the Companies Act, 1956 or Section 169(5) and 169 (6) of the Companies Act, 2013, at every annual general meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three the number nearest to one-third, shall retire from office. The Debenture Directors, Corporation Directors, Special Directors, or Managing Directors, if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a “Retiring Director” means a Director retiring by rotation.

Ascertainment of Directors retiring by rotation and filling of vacancies

162. The Directors who retire by rotation under Article 164 at every annual general meeting shall be those who have been longest in office since their last appointment, but as between those who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.

Eligibility for re-election

163. A retiring Director shall be eligible for the re-appointment.

Company to fill Vacancies

164. Subject to the provisions of the Act, the Company at the annual general meeting at which a Director retires in manner aforesaid may fill up the vacancy by appointing the retiring Director or some other person thereto.

Provisions in default of appointment

165. (1) If the place of retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.

Company may increase or reduce the number of Directors or remove any Director

- (2) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless –
- (a) at the meeting or the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
 - (b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed;
 - (c) he is not qualified or is disqualified for appointment; or
 - (d) a resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act,
166. Subject to the provisions of Sections 149 and 152 of the Companies Act, 2013, the Company may, by special resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.

Appointment of Directors to be voted Individually



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167. (1) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.
- (2) A resolution moved in contravention of clause (1) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved is passed, no provision for the automatic re-appointment of retiring Director in default of another appointment as hereinbefore provided, shall apply.
- (3) For the purpose of this Article, a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.

Notice of candidature for office of Director except in certain cases

168. (1) Subject to the provisions of the Act, a person, not being a Retiring Director in terms of Section 152 of the Companies Act, 2013, shall be eligible for appointment to the office of Director at any general meeting if he or some other member intending to propose him has, at least fourteen days before the meeting, left at the registered office of the Company a special notice in writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a Director for office as the case may be along with the deposit of Rupees one lakh or such higher amount as may be prescribed which shall be refunded to such person or as the case may be, to the member, if the person succeeds in getting elected as a Director or secures more than 25% of the total valid votes cast either by way of show of hands or on a poll on such resolution.
- (2) The Company shall inform its members of the candidature of the person for the office of Director in such manner as may be prescribed.
- (3) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company, a notice under Section 160 of the Companies Act, 2013, signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director if appointed.
- (4) A person other than :
- (a) A Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
- (b) An Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013, appointed as a Director or re-appointed as an Additional or Alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

Register of Directors etc. and notification of change to Registrar

169. The Company shall keep at its registered office a Register containing the particulars of its Directors and key managerial personnel as specified in Section 170 of the Act, and shall send to the Registrar a Return containing the particulars specified in such Register, and shall otherwise comply with the provisions of the said Section in all respects.

MANAGING DIRECTOR, WHOLE TIME DIRECTOR

Board may appoint Managing Director or Managing Director(s) or Whole Time Directors

170. Subject to the provisions of Section 196, 197 and 203 and other applicable provision of the Companies Act, 2013, and these Articles, the Directors shall have power to appoint or re-appointment any person to be Managing Director, or Whole-Time Director for a term not exceeding five years at a time. Provided that no re-appointment shall be made earlier than one year before the expiry of his term. Such a Managing Director can also act as chairperson of the Company.

What provisions they will be subject to



171. Subject to the provisions of the Act and these Articles, the Managing Director, or the Whole time Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 161 but he shall be subject to the provisions of any contract between him and the Company, be subject to the same provisions as the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole Time Director if he ceases to hold the office of Director from any cause provided that if at any time the number of Directors (including Managing Director or Whole-time Directors) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole Time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation in to the intent that the Directors so liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

Remuneration of Managing or Whole Time Director(s)

172. The remuneration of the Managing Director, Whole time Director, or Manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors from time to time and may be by way of fixed salary and/or perquisites or commission on profits of the Company or by participation in such profits, or by fee for such meeting of the Board or by and for all these modes or any other mode not expressly prohibited by the Act.

Powers and duties of Managing and Whole Time Director(s)

173. Subject to the superintendence, control and direction of the Board the day to day management of the Company shall be in the hands of the Managing Director(s) and/or Whole Time Director(s) appointed under Article 170 with power to the Board to distribute such day to day management functions among such Director(s) in any manner as deemed fit by the Board and subject to the provisions of the Act and these Articles the Board may by resolution vest any such Managing Director or Managing Directors or Whole time Director or Whole time Directors such of the power hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and they may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Meeting of Directors

174. The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the proviso to Section 173 of the Companies Act, 2013 otherwise directs, shall so meet at least once in every one hundred and twenty days and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

Notice of meetings

175. (1) Notice of every meeting of the Board of Directors shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.

When meeting to be Convened

- (2) A Director may at any time and the Secretary upon the request of Director made at any time shall convene a meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India and at his usual address in India to every other Director. Notice may be given by telex or telegram to any Director who is not in India.

Quorum

176. (1) Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any



fraction contained in that one-third being rounded off as one) or two Directors whichever is higher, PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the total strength, the number of the remaining Directors (that is to say, the number of Directors who are not interested) present at the meeting being not less than two shall be quorum during such time.

- (2) For the purpose of clause (1) :
- (i) "Total Strength" of the Board of Directors of the Company shall be determined in pursuance of the Act, after deducting therefrom number of the Directors, if any, whose places may be vacant at the time, and
 - (ii) "Interested Directors" means any Director whose presence cannot by reason of Article 176 hereof or any other provisions in the Act count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.

Procedure when meeting adjourned for want of quorum

177. If a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place.

Chairman

178. One of the Directors shall be the Chairman of the Board of Directors who shall preside at all meetings of the Board. If at any meeting the Chairman is not present at the time appointed for the meeting then the Directors present shall elect one of them as Chairman who shall preside.

Questions at Board meeting how decided

179. Subject to provisions of the Companies Act, 2013, and other applicable provisions of law, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes, the Chairman shall have second or casting vote.

Powers of Board Meetings

180. A meeting of the Board of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or these Articles or the regulations for the time being of the Company are vested in or are exercisable by the Board of Directors generally.

Directors may appoint committees

181. The Board of Directors may, subject to the provisions of Section 179 of the Companies Act, 2013, and other relevant provisions of the Act and these Articles, appoint committees of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.

Meeting of the Committee how to be Governed

182. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Circular Resolution

183. (1) A resolution passed by circular without a meeting of the Board or a Committee of the Board appointed under



Article 186 shall subject to the provisions of sub-clause (2) hereof and the Act be as valid and effectual as the resolution duly passed at meeting of, the Directors or of a Committee duly called and held.

- (2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution, has been circulated in draft together with necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in number than in the quorum fixed for a meeting of the Board or Committee as the case may be), and to all other Directors or members of the Committee at their usual addresses in India in accordance with the provisions of Section 175(1) of the Companies Act, 2013, and has been approved by such of the Directors or members of the Committee as are in India or by a majority of such of them as are entitled to vote on the resolution.

Acts of Board or Committee valid notwithstanding defect in appointment

184. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

POWERS OF THE BOARD

Powers of Director

185. Subject to the provisions of the Act, the business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in general meeting, subject nevertheless to these Articles to the provisions of the Act, or any other Act and to such regulations (being not inconsistent with the aforesaid regulations or provisions), as may be prescribed by the Company in general meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made, PROVIDED that the Board shall not, except with the consent of the Company by a special resolution in a general meeting:
- (a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking;
 - (b) remit, or give time for the payment of any debt due by a Director;
 - (c) invest otherwise than in trust securities the amount of compensation received by the Company as a result of a merger or amalgamation;
 - (d) borrow money where the money to be borrowed together with the money already borrowed by the Company will exceed the aggregate of the paid up capital of the Company and its free reserves, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business); or,
 - (i) Provided that in respect of the matter referred to in sub-clause (d) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which monies may be borrowed by the Board under clause (d);
 - (ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a reasonable character, but does not include loans raised for the purpose of financing expenditure of a capital nature.

Certain powers to be exercised by the Board only at meetings



186. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolution passed at the meetings of the Board :

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) To authorize buy-back of securities under Section 68 of the Companies Act, 2013;
- (c) to borrow monies;
- (d) to invest the funds of the Company;
- (e) to grant loans or give guarantee or provide security in respect of loans;
- (f) to approve financial statement and the Board's report;
- (g) to diversify the business of the Company;
- (h) to approve amalgamation, merger or reconstruction;
- (i) to take over a company or acquire a controlling or substantial stake in another company;
- (j) any other matter which may be prescribed under the Act and the rules made thereunder.

Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors, Managing Director or any other principal officer of the Company, or in case of branch office of the Company a principal officer of the branch office, the powers specified in (c), (d) and (e) of this sub-clause on such terms as it may specify.

Certain powers of the Board

187. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the last preceding Article it is hereby declared that the Directors shall have the following powers that is to say, power:

- (a) to pay the costs, charges and expenses preliminary and incidental to the formation, promotion, establishment and registration of the Company;
- (b) to pay and charge the capital account to the Company any commission or interest, lawfully payable there out under the provisions of Section 40 of the Companies Act, 2013 and other applicable provisions of law;
- (c) subject to Sections 179 and 188 of the Companies Act, 2013, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire at or for price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
- (d) at their discretion and subject to the provisions of the Act to pay for any property, rights or privileges by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;
- (e) to secure the fulfilments of any contracts or engagement entered into by the Company mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit;
- (f) to accept from any member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
- (g) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees;
- (h) to institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officer, or otherwise concerning the affairs of the Company, and also to compound and allow time for



payment on satisfaction of any debts due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian law or according to foreign law and either in India or abroad and observe and perform or challenge any award made therein;

- (i) to act on behalf of the Company in all matters relating to bankrupts and insolvents;
- (j) to make and give receipts, release and other discharge for monies payable to the Company and for the claims and demands of the Company;
- (k) subject to the provisions of Sections 179, 180 and 185, of the Companies Act, 2013 and other applicable provisions of law, to invest and deal with any monies of the Company not immediately required for the purpose thereof, upon such security (not being the shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 187 of the Companies Act, 2013, all investments shall be made and held in the Company's own name;
- (l) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;
- (m) to determine from time to time who shall be entitled to sign, on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts, and documents and to give the necessary authority for such purpose;
- (n) to distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as a part of working expenses of the Company;
- (o) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and wives, widows, and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the applicable provisions of law to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;
- (p) before recommending any dividend, subject to the provision of Section 123 of the Companies Act, 2013, to set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation fund, or to insurance fund, or as a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debenture stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Board may, in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Companies Act, 2013, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than share of this Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof may be matters to or upon which the capital monies of the Company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit; with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund and/or division of a reserve fund and with full power to employ and assets constituting all or any of the above funds



including the depreciation fund, in the business of the Company or in purchase or repayment of debentures or debenture stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine percent per annum;

- (q) to appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and to fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit, and also from time to time to provide for the management and transaction of the affairs of the Company in specified locality in India or elsewhere in such manner as they think fit; and the provision contained in the next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause;
- (r) to comply with the requirement of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with;
- (s) from time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such Local Boards, and to fix their remuneration;
- (t) subject to Section 179 of the Companies Act, 2013, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow monies; and to authorize the member for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation;
- (u) at any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board the power to make loans and borrow monies) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointments may (if the Board thinks fit) be made in favour of the members or any of the members of any local board established as aforesaid or in favour of any company, or the shareholders, Directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;
- (v) subject to the provisions of the Companies Act, 2013, for or in relation of any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;
- (w) From time to time to make, vary and repeal by-laws for the regulation of the business of the Company, its officers and servants.

MINUTES

Minutes to be considered evidence

188. (1) The Company shall cause minutes of all proceedings of general meetings of any class of shareholders or creditors, and every resolution passed by postal ballot or by electronic means and every meeting of the Board of Directors or of every committee of the Board to be prepared and signed in such manner as may be



prescribed and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.

- (2) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (3) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
- (4) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:
 - (a) the names of the Directors present at the meeting; and
 - (b) in the case of each resolution at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
- (5) Nothing contained in clauses (1) to (4) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:
 - (a) is or could reasonably be regarded as defamatory of any person;
 - (b) is irrelevant or immaterial to the proceedings; or
 - (c) is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

Minutes to be evidence of the proceedings

189. The minutes of meeting kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein,

Presumptions to be drawn where minutes duly drawn and signed

190. Where the minutes of the proceedings of any general meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with provisions of Section 118 of the Companies Act, 2013, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.

Inspection of Minutes Books of General Meetings

191. (1) The books containing the minutes or the proceedings of any general meeting of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Companies Act, 2013, be determined by the Company in general meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.
- (2) Any member of the Company shall be entitled to be furnished within seven working days after he has made a request in that behalf to the Company and on payment of such sums as may be prescribed, with a copy of any minutes referred to in sub-clause (1) hereof.

Publication of report of proceedings of General Meeting

192. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Companies Act, 2013 to be contained in the minutes of the proceedings of such meetings.

MANAGEMENT

Prohibition of simultaneous appointment of different categories of managerial personnel

193. The Company shall not appoint or employ at the same time a Managing Director and a Manager.



Subject to the provisions of the Act –

- (a) 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 financial officer so appointed may be removed by means of a resolution of the Board;
- (b) a director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.

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 it being done by or to the same person acting both as director and as, or in place of, the chief executive officer, manager, company secretary or chief financial officer.

The Seal, its custody and use

194. (1) The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, under such regulations as the Board may prescribe.
- (2) the Seal shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of any two officials of the Company or such other person, the Board may appoint in that behalf who shall sign every instrument to which the Seal is affixed.
Provided that the certificates of shares or debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Share Capital and Debenture) Rules, 2014, and their statutory modifications for the time being in force.

DIVIDEND WARRANTS

Division of profits

195. (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividend shall be declared and paid according to the amounts paid or credited as paid on the shares in respect where of 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.
- (2) 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.
- (3) 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 shares issued on terms provided that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

The Company in general meeting may declare dividend

196. The Company in general meeting may declare dividends, to be paid to members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

Dividend out of profits only

197. (1) No dividend shall be declared or paid by the Company for any financial year except (a) out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of sub-clause (2) or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both; or (b) out of the monies provided by the Central Government or State government for the payment of dividend in pursuance or guarantee given by the Government.



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- (2) For the purposes of sub-clause (1), the depreciation shall be provided in accordance with the provisions of Schedule II of the Companies Act, 2013.
- (3) No dividend shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by members of the Company.

Interim Dividend

198. The Board of Directors may from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.

Debts may be deducted

199. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Capital paid up in advance at interest not to earn dividend

200. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.

Dividends in proportion to amount paid up

201. 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 dividends as from a particular date such share shall rank for dividend accordingly.

Retention of dividends until in certain cases

202. The Board of Directors may retain the dividend payable upon shares in respect of which any person under the Transmission Clause has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.

No member to receive dividend whilst liberated to the Company and the Company's right of reimbursement thereof

203. No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any member all such sums of monies so due from him to the Company.

Effect of transfer of Shares

204. A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

Dividend to joint Holders

205. Any one of several persons who are registered as joint holders of any share may give effectual receipt for all dividends or bonus and payments on account of dividends in respect of such share.

Dividend how remitted

206. The dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend or in case of joint-holders to the registered address of that one of the joint-holders which is first named on the register of members or to such person and to such address as the holder or the joint-holder may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission or for any dividend lost, to the member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.



Notice of dividend

207. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.

Dividend to be paid within thirty days

208. (1) The Company shall pay the dividend or send the warrant in respect thereof to the shareholder entitled to the payment of dividend, within thirty days from the date of the declaration unless:
- (a) where the dividend could not be paid by reason of the operation of any law;
 - (b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with;
 - (c) where there is a dispute regarding the right to receive the dividend;
 - (d) where the dividend has been lawfully adjusted by the company against any sum due to it from the shareholder, or
 - (e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
- (2) (a) where the dividend has been declared but which has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment thereof, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any Scheduled Bank to be called “Unpaid Dividend Account of SKSS Lifestyle Club Limited”
- (b) The Company shall, within a period of ninety days of making any transfer of an amount under sub clause(a) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed
 - (c) If any default is made in transferring the total amount referred to in sub-clause (1) or any part thereof to the Unpaid Dividend Account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.
 - (d) Any person claiming to be entitled to any money transferred under sub-clause (1) to the Unpaid Dividend Account of the Company may apply to the Company for payment of the money claimed.
 - (e) any money transferred to the Unpaid Dividend Account of the Company in pursuance of this Article which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company along with interest accrued, if any, thereon to the Investor Education and Protection Fund of the Central Government.
 - (f) the Company shall when making any transfer to the Investor Education and Protection Fund of the Central Government any unpaid or unclaimed dividend, furnish to such officer as the Central Government may appoint in this behalf a statement in the prescribed form seeing forth in respect of all sums included in such transfer, the nature of the sums, the names and last known addresses of the persons entitled to receive the sum, the amount to which each person is entitled and the nature of his claim thereto and such other particulars as may be prescribed.
 - (g) No unclaimed or unpaid dividend shall be forfeited by the Board of Directors until the claim becomes barred by law.

CAPITALISATION

Capitalisation

209. (1) The Company in General Meeting may, upon the recommendation of the Board, resolve :



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- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the Profit and Loss Account or otherwise available for distributions; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3), either in or towards:
- (a) paying up any amount 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 allocated and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; or
 - (c) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);
 - (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.

Fractional Certificates

210. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any, and
 - (b) generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power :
- (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions; and also
 - (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an arrangement 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 the profits resolved to be capitalized to the amounts of any part of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.
- (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificate as they think fit.

ACCOUNTS

Books to be kept

211. (1) The Company shall prepare and keep at its registered office proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Companies Act, 2013, as would give a true and fair view of the state of affairs of the Company including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting: Provided that all or any of the books of accounts aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. Provided further that the company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.
- (2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of sub-clause (1) if proper books of accounts relating to the transactions affected at the branch are kept at that office and proper summarised returns made up to date at intervals of



not more than three months are sent by the branch office to the Company at its registered office or the other place referred to in sub- clause (1).The books of accounts and other books and paper maintained by the Company within India shall be open to inspection at the registered office of the Company or at such other place in India by any Director during business hours and in the case of financial information, if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any Director subject to such conditions as may be prescribed: Provided that the inspection in respect of any subsidiary of the Company shall be done only by the person authorised in this behalf by a resolution of the Board of Directors.

- (3) The books of account of the Company relating to a period of not less than eight financial years immediately preceding a financial year, or where the Company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order: Provided that where an investigation has been ordered in respect of the Company under Chapter XIV of the Companies Act, 2013, the Central Government may direct that the books of account may be kept for such longer period as it may deem fit.

Financial Statements

212. (1) The Board of Directors shall in accordance with Section 129, 133 and 134 of the Companies Act, 2013 and the rules made there under, cause to be prepared and laid before each annual general meeting, financial statements for the financial year of the Company which shall be a date which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
- (2) The financial statements of the Company shall give a true and fair view of the state of affairs of the Company and comply with the accounting standard notified under Section 133 of the Companies Act, 2013 and shall be in the form set out in Schedule III to the Companies Act, 2013. Provided that the items contained in such financial statements shall be in accordance with the accounting standards.
- (3) In case the Company has one or more subsidiaries, it shall, in addition to financial statements provided under sub-clause (1), prepare a consolidated financial statement of the Company and of all the subsidiaries in the same form and manner as that of its own which shall also be laid before the annual general meeting of the company along with the laying of its financial statement under sub-section (1): Provided that the Company shall also attach along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiary or subsidiaries in such form as may be prescribed: Provided further that the Central Government may provide for the consolidation of accounts of companies in such manner as may be prescribed. For the purposes of this sub-clause, the word “subsidiary” shall include associate company and joint venture.

AUDIT

Account to be audited

213. Once at least in every year the accounts of the Company shall be audited and the correctness of the financial statements ascertained by one or more Auditor or Auditors.

Appointment of Auditors

214. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with the provisions of Chapter X of the Companies Act, 2013 and the rules made thereunder.
- (2) Subject to the provisions of Section 139 of the Companies Act, 2013, the Company shall at the first annual general meeting appoint an individual or a firm as an Auditor to hold office from conclusion of that meeting until the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the Company at such meeting shall be such as may be prescribed. Provided that the Company shall place the matter relating to such appointment for ratification by members at every annual general meeting; Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be prescribed, shall be obtained from the auditor; Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141 of the Companies Act, 2013; Provided also that the Company shall



inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed. "Appointment" includes reappointment.

DOCUMENTS AND NOTICES

Service of documents or notices on members by the Company

215. (1) A document or notice may be served by the Company on any member thereof either personally or by sending it by registered post or by speed post or by courier service or by leaving it at his registered address or if he has no registered address in India, to the address if any, within India supplied by him to the Company for serving documents or notice on him or by means of such electronic or other mode as may be prescribed.
- (2) A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.
- (3) A document or notice may be served by the Company on the joint holders of a share by serving it on the joint holder named first in the Register in respect of the share.
- (4) A document or notice may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter, addressed to them by name or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the person claiming to be so entitled, or until such an address has been so supplied, serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.
- (5) The signature to any document or notice to be given by the Company may be written or printed or lithographed.

To whom documents must be served or given

216. Document or notice of every general meeting shall be served or given in the same manner hereinbefore authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company, PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulating in the neighbourhood of the office of the Company under Article 99 a statement of material facts referred to in Article 99 need not be annexed to the notice, as is required by that Article, but is shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

Members bound by documents or notices served on or given to previous holders

217. Every person who by operation of law, transfer or other means whatsoever, has become entitled to any share shall be bound by every document or notice in respect of such share, which prior to his name and address being entered on the Register of Members, shall have been duly served on or give to the person from whom he derived his title to such share.

Service of documents on Company

218. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the registered office of the Company by Registered Post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed. Provided that where securities are held with a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic or other mode.

Service of documents by Company on the Registrar

219. Save as provided in the Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on the Registrar or any member by sending it to him at his office by post or by Registered Post or by speed post or by courier or delivering it to or leaving it for him at his



office, or by such electronic or other mode as may be prescribed. Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting. The term “courier” means a person or agency which delivers the document and provides proof of its delivery.

Registers and documents to be maintained by the Company

220. The Company shall keep and maintain Registers, Books and Documents as required by the Act or these Articles, including the following:

- (a) Register of Investments made by the Company but not held in its own name, as required by Section 187(3) of the Companies Act, 2013, and shall keep it open for inspection by any member or debenture holder of the Company without charge.
- (b) Register of Mortgages and Charges and copies of instrument creating any charge requiring registration according to Section 85 of the Companies Act, 2013, and shall keep them open for inspection by any creditor or member of the Company without fee and for inspection by any person on payment of a fee of rupee ten for each inspection.
- (c) Register and Index of Members as required by Section 88 of the Companies Act, 2013, and shall keep the same open for inspection during business hours, at such reasonable time on every working day as the Board may decide by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of a fee of rupees fifty for each inspection.
- (d) Register and Index of Debenture Holders or Security Holders under Section 88 of the Companies Act, 2013, and keep it open for inspection during business hours, at such reasonable time on every working day as the Board may decide by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of rupees fifty for each inspection.
- (e) Foreign Register, if so thought fit, as required by Section 88 of the Companies Act, 2013, and it shall be open for inspection and may be closed and extracts may be taken there from and copies thereof as maybe required in the manner, mutatis mutandis, as is applicable to the Principal Register.
- (f) Register of Contracts with related parties and companies and firms etc. in which Directors are interested as required by Section 189 of the Companies Act, 2013, and shall keep it open for inspection at the registered office of the Company during business hours by any member of the Company. The Company shall provide extracts from such register to a member of the Company on his request, within seven days from the date on which such request is made upon the payment of fee of ten rupees per page.
- (g) Register of Directors and Key Managerial Personnel etc., as required by Section 170 of the Companies Act, 2013 and shall keep it open for inspection during business hours and the members of the Company shall have a right to take extracts there from and copies thereof, on a request by the members, be provided to them free of cost within thirty days. Such register shall also be kept open for inspection at every annual general meeting of the Company and shall be made accessible to any person attending the meeting.
- (h) Register of Loans, Guarantee, Security and Acquisition made by the Company as required by Section 186(9) of the Companies Act, 2013. The extracts from such register may be furnished to any member of the Company on payment of fees of ten rupees for each page.
- (i) Books recording minutes of all proceedings of general meeting and all proceedings at meetings of its Board of Directors or of Committee of the Board in accordance with the provisions of Section 118 of the Companies Act, 2013.
- (j) Copies of Annual Returns prepared under Section 92 of the Companies Act, 2013, together with the copies of certificates and documents required to be annexed thereto.

Provided that any member, debenture holder, security holder or beneficial owner or any other person may require a copy of any such register referred to sub-clause (c), (d) or (e), or the entries therein or the copies of annual returns referred to in sub-clause (j) above on payment of a fee of ten rupees for each page. Such copy



or entries or return shall be supplied within seven days of deposit of such fee.

WINDING UP

Distribution of assets

221. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively, and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up, or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution in specie or kind

222. (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of a special resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them as a Liquidator, with such sanction shall think fit.
- (2) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed) by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined upon, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 319 of the Companies Act, 2013.
- (3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall if practicable act accordingly.

Right of shareholders in case of sales

223. A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid, determine that any shares or other consideration receivable by the Liquidator be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said sanction.

INDEMNITY

Directors' and others' rights to indemnity

224. Subject to the provisions of Section 197 of the Companies Act, 2013, every Director, or Officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor, shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Officer or Auditor or other Officer of the Company in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013 in which relief is granted to him by the Court.



Director, Officer not responsible for acts of others

225. Subject to the provisions of Section 197 of the Companies Act, 2013, no Director, Auditor or other Officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for insufficiency or deficiency of any of any security in or upon which any of the monies of the Company shall be invested, or for any loss or damages arising from insolvency or tortuous act of any person, firm or company to or with whom any monies, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgement, omission, default or oversight on his part or for any other loss, damage, or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

SECRECY CLAUSE

Secrecy Clause

226. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required, by the Director, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy and confidentiality in respect of all transactions and affairs of the Company and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions, in these presents contained.

No member to enter the premises of the Company without permission

227. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Directors or Managing Director or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Director; it would be inexpedient in the interest of the Company to disclose.



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 September 20, 2016 between our Company and the Lead Manager.
2. Memorandum of Understanding dated November 07, 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 September 20, 2016 between our Company, the Lead Manager and the Market Maker.
5. Underwriting Agreement dated September 20, 2016 between our Company, the Lead Manager and the Market Maker.
6. Tripartite agreement between the NSDL, our Company and the Registrar dated March 16, 2016.
7. Tripartite agreement between the CDSL, our Company and the Registrar dated May 11, 2016.

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 Certificates of Incorporation of SKSS Lifestyle Limited
3. Resolution of the Board of Directors meeting dated July 11, 2016 authorizing the Issue.
4. Shareholders' resolution passed at the Extra-Ordinary General Meeting dated July 13, 2016 authorizing the Issue.
5. Auditor's report for Restated Financials dated November 09, 2016 included in this Draft Prospectus.
6. The Statement of Tax Benefits dated October 20, 2016 from our Statutory Auditors.
7. Consent of our Directors, CFO, Company Secretary & Compliance Officer, Statutory Auditors, Lead Manager, Legal Advisor to the Issue, Banker to the Company, Registrar to the Issue, Market Maker and Underwriters 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 NSE vide letter dated [●] to use the name of NSE in this Offer Document for listing of Equity Shares on the SME Platform of the NSE.

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

Sd/-

Mr. Surendra Hindu Singh Bhati
(Chairman and Managing Director)

Sd/-

Mr. Ravindrapal Singh Leelawat
(Whole-Time Director)

Sd/-

Mr. Lalit Sharma
(Non-Executive Non- Independent Director)

Sd/-

Mr. Nirbhaya Jani
(Non – Executive Independent Director)

Sd/-

Ms. Tanvi Amar
(Non-Executive Independent Director)

Signed by the Chief Financial Officer of our Company

Sd/-

Mr. Abhishek Nandivadekar
(Chief Financial Officer)

Signed by the Company Secretary of our Company

Sd/-

Ms. Neha Borkar
(Company Secretary & Compliance Officer)

Date: 09/11/2016

Place: Mumbai