



IFL ENTERPRISES LIMITED

CIN: U67100DL2009PLC186958

Our Company was incorporated as Sarthak Suppliers Private Limited on January 23, 2009 under the Companies Act, 1956 bearing Registration No. 186958 and having its Registered Office in Delhi. The name of the Company was changed to IFL Enterprises Private Limited vide special resolution dated January 11, 2016 and name change Certificate was issued on January 28, 2016 by the Registrar of Companies, Delhi. The status of our Company was changed to a public limited company and the name of our Company was changed to IFL Enterprises Limited vide special resolution dated January 28, 2016. A fresh Certificate of Incorporation consequent upon change of name was issued on February 18, 2016 by the Registrar of Companies, Delhi. The Company's Corporate Identity Number is U67100DL2009PLC186958. 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. 81 of this Prospectus.

Registered Office: D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi - 110085.

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Contact Person: Mr. Sandeep Kumar, Company Secretary and Compliance Officer.

Our Promoters: India Finsec Limited and Mr. Mukesh Sharma

THE ISSUE

PUBLIC ISSUE OF 16,26,000 EQUITY SHARES OF ₹ 10 EACH ("EQUITY SHARES") OF IFL ENTERPRISES LIMITED ("IFLE" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 20 PER SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ 325.20 LAKHS ("THE ISSUE"), OF WHICH 90,000 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 15,36,000 EQUITY SHARES OF ₹ 10 EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 54.16% AND 51.16%, 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 2.00 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. 162 of this 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. 169 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Company, there has been no formal market for the securities of the Company. The face value of the shares is ₹ 10 per Equity Share and the Issue Price is 2.00 times of the face value. The Issue Price (as determined by Company in consultation with the Lead Manager) as stated under the paragraph on "Basis for Issue Price" on page no. 53 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision investors must rely on their own examination of our Company and the Issue, including the risks involved. The 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 Prospectus. **Specific attention of the Investors is invited to the statement of Risk Factors given on page no. 9 of this Prospectus under the Section "Risk Factors".**

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 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 issued through this Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE"). Our Company has received an approval letter dated February 09, 2017 from BSE for listing our shares on the SME Platform of the BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE"). A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

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
Investor Grievance Email: feedback@afsl.co.in
Website: www.afsl.co.in
Contact Person: Mr. Vimal Maniyar/ Mr. Manoj Agarwal
SEBI Registration No. INM000011344

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

D-153A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi - 110 020
Tel: +91-11- 6473 2681 - 88; Fax: +91 11 - 2681 2682
Email: admin@skylinerta.com;
Investor Grievance Email: viren@skylinerta.com;
Website: www.skylinerta.com
Contact Person: Mr. Virender Rana
SEBI Registration No.: INR00003241

ISSUE OPENS ON

MARCH 07, 2017

ISSUE CLOSES ON

MARCH 10, 2017

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
IFL Enterprises Limited / IFLEL / The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to IFL Enterprises Limited, a public limited company, incorporated under the provisions of the Companies Act, 1956 with its registered office in the Delhi.
Promoter(s)	The Promoters of our Company: <ul style="list-style-type: none">• India Finsec Limited• Mr. Mukesh Sharma
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">• India Finsec Limited• Fidelo Foods Private Limited• RG Finsec Private Limited• IFL Housing Finance Limited

Company related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of IFL Enterprises Limited.
Auditor of the Company (Statutory Auditor)	M/s. V. N. Purohit & Co., Chartered Accountants, having their office at 214, New Delhi House, 2 nd Floor, 27, Barakhamba Road, New Delhi- 110 001.
Audit Committee	The Audit Committee constituted by our Board of Directors on December 17, 2016.
Board of Directors / Board	The Board of Directors of IFL Enterprises 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	Mr. Sandeep Kumar
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of IFL Enterprises Limited, unless otherwise specified
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 IFL Enterprises 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.
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.



Term	Description
Registered Office	The Registered Office of our Company which is located at: D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi – 110 085.
Registrar of Companies / RoC	Registrar of Companies, Delhi situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019.
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, 2011, as amended from time to time.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited.

Issue Related Terms

Term	Description
Allotment	The transfer of the Equity Shares pursuant to the Issue to the successful applicants
Allottees	The successful applicant to whom the Equity Shares are being / have been Allotted.
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this 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 all Applicants participating in the Issue.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form.
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “General Information” on page no. 31 of this Prospectus.
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 Axis Bank Limited.
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. 169 of this Prospectus.
Business Day	Monday to Friday (except public holidays)
BSE	BSE Limited
Category III FPI	Investors including endowments, charitable societies, charitable trusts, foundations, corporate bodies, trust, individuals and family offices which are not eligible for registration under Category I and II under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Controlling Branches	Such Branches of the SCSBs which co-ordinate 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



Term	Description
	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 Issue Account.
Designated Market Maker	MSB E- Trade Securities 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 Locations CDP	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 Locations RTA	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 Exchange of BSE Limited
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 Application Form and the Prospectus will constitute an invitation to purchase the Equity Shares.
Equity Shares	Equity shares of our Company of ₹ 10 each
Escrow Agreement	Agreement dated February 14, 2017 entered into amongst the Company, the Lead Manager, Registrar to the Issue 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 16,26,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20 per equity share, aggregating to ₹ 325.20 lakhs by the Company.
Issue Closing date	The date on which the Issue closes for subscription being March 10, 2017
Issue Opening date	The date on which the Issue opens for subscription being March 07, 2017
Issue Price	The price at which the Equity Shares are being offered by our Company in consultation with the Lead Manager, under this Prospectus being ₹ 20.
Issue Proceeds	The proceeds of the Issue. For further information about use of the Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 48 of this Prospectus
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the SME Platform of BSE.
Market Maker Reservation Portion	The reserved portion of 90,000 Equity Shares of ₹ 10 each at ₹ 20 per Equity Share aggregating to ₹ 18.00 lakhs for the Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated November 08, 2016.
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 M 2,00,000 (but not including NRIs other than Eligible NRIs)
Net Issue	The Net Issue of 15,36,000 Equity Shares of ₹ 10 each at ₹ 20 per Equity Share aggregating to ₹ 307.20 lakhs by the Company.
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



Term	Description
	dates and other information.
Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCSSBs from the ASBA accounts 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 Skyline Financial 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, 2011 as amended.
Self Certified Syndicate Bank(s) / SCSSBs	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 SCSSBs is available at http://www.sebi.gov.in/pmd/scsb.pdf
SME Platform of BSE	The SME Platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	Aryaman Financial Services Limited and MSB E- Trade Securities Limited.
Underwriting Agreement	The Agreement among the Underwriters and our Company dated November 08, 2016.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Day	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.

Technical / Industry related Terms

Term	Description
BFSI	Banking, Financial Services and Insurance
CAGR	Compound Annual Growth Rate
CCCT	China Chamber of Commerce for Import and Export of Textiles
CE	Construction Equipment
CEO	Chief Executive Officer
CMAI	The Clothing Manufacturers' Association of India
CSO	Central Statistics Organization
CPI	Consumer Price Index
CV	Commercial Vehicle
DSA	Direct Selling Agency/ Agent.
EMDEs	Emerging Market and Developing Economies
ESOP	Employee Stock Ownership Plan
EU	European Union



Term	Description
FDI	Foreign Direct Investment
FOB	Freight on Board
FTA	Free Trade Agreement
GST	Goods and Service Tax
GVA	Gross Value Added
IIP	Index of Industrial Production
IMF	International Monetary Fund
INR	Indian Rupee
JV	Joint Venture
KMPs	Key Management Personnel
MAI	Market Access Initiative
LAP	Loan Against Property
MDA	Market Development Assistance
NBFC	Non Banking Financial Company
NBFC-MFIs	Non Banking Financial Company - Micro Finance Institutions
NER	North East Region
NPA	Non-Performing Asset
PV	Passenger Vehicle
RIL	Reliance Industries Ltd
RoA	Return on Assets
RRTUFS	The Revised Restructured Technology Up gradation Fund Scheme
SITP	The Scheme for Integrated Textile Parks
SMEs	Small and Medium Enterprises
TUFS	Textile Upgradation Fund Scheme
Q1/ Q2/ Q3/ Q4	Quarter 1/ Quarter 2/ Quarter 3/ Quarter 4
UK	United Kingdom's
WEO	World Economic outlook
WIL	Welspun India Ltd
Y-o-y	Year Over Year

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
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000)



Term	Description
	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
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NRE Account	Non Resident External Account
NRI	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Rs. or ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI (LODR) Regulations, 2015 / SEBI Listing Regulations	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
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 Prospectus are to the Republic of India. In this 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 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 six months period ended September 30, 2016 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Prospectus. Our Fiscal Year commences on April 01 and ends on March 31 of the following year. In this 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 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 Prospectus should accordingly be limited. We have not attempted to explain the differences between Indian GAAP, U.S. GAAP and IFRS or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 9, 67 and 130 of this Prospectus, respectively, and elsewhere in this 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 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 Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page no. 217 of this 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 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 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

This Prospectus contains certain “forward-looking statements”. These forward-looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue”, “seek to” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans, prospects or goals are also forward-looking statements.

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 fabrics and textile material and debt related advisory Industry 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 in competition.
- 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;
- 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;
- 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. 9, 67 and 130 of this 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 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 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 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 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. 67 and 130 of this Prospectus respectively as well as other financial and statistical information contained in this 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 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 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 on the basis of their materiality. The following factors have been considered for determining the materiality.

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

Internal Risk Factors

- 1. As Debt Syndicators and Direct Selling Agents, we face the risk of loss on goodwill due to defaults by our clients to our lenders. Any such defaults and non-payments would indirectly have an impact on our goodwill amongst the lender community and affect our long term sustainability.***

Any lending or investment activity is exposed to credit risk arising from the risk of default and non payment by borrowers and other counterparties. The borrowers and/or guarantors and/or third parties may default in their repayment obligations due to various reasons including insolvency, a lack of liquidity and operational failure.

We are not involved in lending business directly and hence do not face any direct credit / default risk; however; we are debt syndicators and direct selling agents for Banks and other lenders who we approach n behalf of our clients.

In deciding whether to take up a debt fund raising mandate, we rely on published credit information relating to such parties and financial and other relevant information furnished to us by customers and our personal contacts and networks based on which we perform our credit assessment. We cannot be certain that our risk management controls will continue to be sufficient or that factorial changes post the loan disbursement between the lender and borrower could materially affect the sanctity of such debt.

Any such defaults and non-payments by our clients would indirectly have an impact on our goodwill amongst the lender community and affect our long term sustainability.

2. *We generally do business with our customers on purchase order basis and do not enter into long term contracts with most of them.*

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers nor has any marketing tie up for our products. Any change in the buying pattern of our customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

3. *The company has ventured into financial services sector recently and has limited experience to that extent.*

Our company was since its incorporation as “Sarthak Suppliers Pvt. Ltd.” operating as trading company. In FY 2015-16 itself we have entered into the business of debt syndication and allied corporate advisory. Even though our promoters and executive directors have various years of industry experience in the finance and financial services sector; our company per se is a new entrant in this field and to that extent we would be considered as a low experience company by other members of the BFSI fraternity.

We have a team of experienced executives who work towards understanding business model of SMEs in order to address their precise financing needs. Our expert team gets completely involved in the proposal starting from understanding the proposal to getting sanction and disbursement of the loan from financial institutions. Though the company has posed profitable results in F.Y. 2015-16 but we do not have more than one full year of financial data to show our operative results. Our future results may differ from our FY 2015-16 and our inability to maintain strong operating performance could adversely affect our financial condition in the future.

4. *Proposed objects of the issue for which funds are being raised have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.*

The objects of the issue for which the funds are being raised have not been appraised by any bank or financial institution. In the absence of such independent appraisal, the requirement of funds raised through this issue, as specified in the section titled “*Objects of the Issue*” are based on the company’s estimates and internal research. We may have to revise our management estimates from time to time and consequently our funding requirements may also change. This may result in rescheduling of our expenditure plans and an increase or decrease in our proposed expenditure for a particular object. Deployment of these funds is at the discretion of the management and the Board of Directors of the company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

5. *We have not made any provisions for decline in value of our Investments*

As on September 30, 2016, we hold investments in Bonds and in Quoted Equity Instruments aggregating to ₹ 195.41 lakhs as per Restated Financial Statements. We have not made any provision for the decline in value of these investments and hence as and when these investments are liquidated, we may book losses based on the actual value we can recover for these investments and if lower than the cost, the same could adversely affect our results of operations.

6. *Our results for FY 15-16, may not be comparable with FY 16-17.*

Mr. Mukesh Sharma was inducted on our Board in July 2015. Till such time, our Company was operating as a trading activity only. We have inserted Advisory & DSA related activities as main object in our MoA in January 2016 and started the phase wise operation. Further Mr. Gopal Bansal was also inducted on our Board in March 2016 to strengthen the operation & organization of the Company. However there was no trading activity in the FY 2015-16. In FY 2016-17, we have also re-started the trading division from our old networks and taking forward the old synergies of the Company. Thus since the financial statements for FY 2015-16, did not include trading business, our business for FY 2015-16 and for the period ended Sep 30, 2016 may not be comparable.”

7. *Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.*

Our business depends on the continuity of our relationship with our customers. There can be no assurance that we will be successful in maintaining such relationships or increasing the number of such relationships. If we are not able to maintain existing relationships with our current customers or if we are not able to develop new relationships, including if we are not able to provide services on a timely basis or offer services that meet the needs of the customers, the



number of customers could decline in the future and as a result, our business, prospects, results of operations and financial condition could be adversely affected in the future.

- 8. *Our Company has availed ₹261.00 lakhs as unsecured loan which are repayable on demand. Any demand from the lenders for repayment of such unsecured loan may affect our cash flow and financial condition.***

Our Company as per the restated financial statement as on September 30, 2016 has availed total sum of ₹ 261.00 lakhs as unsecured loan which may be recalled at any time. Sudden recall may disrupt our operations and also may force us to opt for funding at higher interest rates, resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of working capital fund. For further details, please refer to the section “Unsecured Loans” under “Financial Statements” beginning on page no. 111 of this Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

- 9. *Our operations are significantly located in the New Delhi region and failure to expand our operations may restrict our growth and adversely affect our growth.***

Currently, our registered office is situated in New Delhi and we are carrying our business mainly from our New Delhi Office. Hence our revenues are generated from operations in this region only. In the event that demand for our products and services in general reduces or stops by any reason including political discord or instability or change in policies of State, then our financial condition and operating results may be materially and adversely affected. Geographical and functional expansion of our business domain requires establishment of adequate network. As we seek to diversify our regional focus we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers. Our lack of exposure in geographical boundaries outside our operating region could impact our future revenues.

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

Currently Our Company is engaged in the business of trading of fabrics and textile material and providing investment and advisory services, and thus currently we are not required to obtain or renew any registrations or licenses from government and regulatory authorities. However if we plan to explore other business segments in the future we may be required to obtain and renew, certain approvals, licenses, registrations and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. If we fail to maintain such registrations and licenses or comply with applicable conditions, or a regulatory authority claims we have not complied, with these conditions, our certificate of registration for carrying on a particular activity may be suspended and/or cancelled and we will not then be able to carry on such activity. This could materially and adversely affect our business, financial condition and results of operations. We cannot assure you that we will be able to obtain approvals in respect of such applications or any application made by us in the future. For more information about the licenses required in our business and the licenses and approvals applied for, please refer to sections titled “Government and other Key Approvals” beginning on page no. 147 of this Prospectus.

- 11. *The prices we are able to obtain for the textile products that we trade depend largely on prevailing market prices.***

The price of the products traded by us has a significant impact on our profits. Textiles has been subject to price fluctuations resulting from weather, domestic and foreign trade policies, shifts in supply and demand and other factors beyond our control. As a result, any fluctuation in prices could have a material adverse effect on our Company and our results of operations.

- 12. *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.***

For the period ended September 30, 2016, our top 5 clients contributed almost 100.00% of our sales. The loss of our major customers or a decrease in the volume of products sourced from us may adversely affect our revenues and profitability. We cannot assure you that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our operations and profitability.



- 13. *We derive certain benefits as part of the India Finsec group. If we cease to be a part of the India Finsec group of companies, we may not be able to derive such benefits and this may result in loss of goodwill and increased costs.***

We derive certain benefits as part of the India Finsec group, such as attracting management talent. If India Finsec Limited fails to maintain majority shareholding in our Company as a result of dilution or otherwise, we may not be able to benefit from its parentage, which would adversely affect our business and results of operations. In addition, any action on the part of any of the India Finsec group of companies that adversely affect the India Finsec group or the India Finsec brand may have a material adverse effect on our business prospects, results of operations and financial condition.

- 14. *We have applied for registration of our name and logo but do not own the trademark legally as on date. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third party intellectual property rights.***

We have applied for registration of our name and logo under the provisions of the Trademarks Act, 1999 and do not own the trademark as on date. As such, we do not enjoy the statutory protections accorded to a registered trademark as on date. There can be no assurance that we will be able to register the trademark and the logo in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and 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 the 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. For further details, please see the chapter titled “Government and Other Statutory Approvals” beginning on page no. 147 of this Prospectus.

- 15. *If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.***

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

- 16. *The success of our business operations are dependent on the knowledge and experience of our Directors and key management personnel as well as our ability to attract, train and retain such employees.***

The success of our business operations is attributable to our Directors, senior management team and key management personnel. We believe that the experience of our senior management team has enabled us to experience consistent growth and profitability as well as a robust liquidity and capital position. Our ability to sustain our growth depends upon our ability to attract and retain key personnel, developing managerial experience to address emerging business and operating challenges and ensuring a high standard of customer service

We may face attrition of our existing workforce as a result of increased competition or other factors relating to our businesses. If we cannot hire additional qualified personnel or retain them, our ability to expand our business will be impaired and our revenue could decline. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. Any inability to attract and retain talented employees or the resignation or loss of key management personnel, may have an adverse impact on our business, future financial performance and the price of our Equity Shares.

- 17. *We depend on the accuracy and completeness of information about customers and counterparties and any misrepresentation, errors in or incompleteness of such information could cause our business to suffer.***

In deciding whether to extend credit or enter into other transactions with customers, we rely on information furnished to us by or on behalf of customers. We may also rely on certain representations from our customers as to the accuracy



and completeness of that information. For ascertaining the creditworthiness and encumbrances on collateral we may depend on credit information companies or credit bureaus and on independent valuers in relation to the value of the collateral. Our reliance on any misleading information given may affect our judgement of credit worthiness of potential borrowers and the value of and title to the collateral, which may affect our business, prospects, results of operations and financial condition. Moreover, the availability of accurate and comprehensive credit information on retail customers and small businesses in India is more limited than for larger corporate customers, which reduces our ability to accurately assess the credit risk associated with such debt advisory services. While the law provides us with better access to credit information, there may be relatively less financial and credit information available on small and medium enterprises and in relation to the possibility of double-financing obtained by any such clients, than may have been available in a more developed economy and the availability of such financial and credit information in India may be considered to suffer from an absence of competitive pressure at present.

18. Our Company has reported certain negative cash flows from its investing activity and operating 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 investing activities and operating activities in the previous years as per the restated financial statements and the same are summarised as under:

(₹ In lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,			
		2016	2015	2014	2013
Cash flow from Operating Activities	27.57	(52.81)	227.16	(2.18)	(21.20)
Cash flow from Investing Activities	14.94	4.89	(215.00)	-	21.00
Cash flow from Financing Activities	-	55.05	-	-	-

If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

19. System failures or inadequacy and security breaches in computer systems may adversely affect our business.

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communication services. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. The information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of services. Our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security.

Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

20. Our business may be affected by seasonal trends in the Indian economy. Any significant event such as unforeseen floods, earthquakes, epidemics or economic slowdowns during this peak season would materially and adversely affect our results of operations and growth.

Our business operations may be affected by seasonal trends in the Indian economy. Generally, the period from October to March is the peak period in India for retail economic activity. This increased or seasonal activity is the result of several holiday periods, improved weather conditions and crop harvests. We generally experience higher volumes of business during this period. Any significant event such as unforeseen floods, earthquakes, epidemics or economic slowdowns during this peak season would materially and adversely affect our results of operations and growth. During these periods, we may continue to incur operating expenses but our income from operations may be delayed or reduced.



21. Our Company has not taken any insurance coverage to adequately protect us against certain operating risks and this may have an adverse effect on the results of our business.

We have not taken any insurance coverage for a number of the risks associated with our business, such as insurance cover against loss or damage by fire, explosion, burglary, theft and robbery. To the extent that we suffer any loss or damage that is not covered by insurance, our business and results of operations could be adversely affected. We are working towards taking insurance coverage to such amounts that will be sufficient to cover all normal risks associated with its operations and is in accordance with the industry standard. Our insurance policies, however, may not provide adequate coverage in certain circumstances. There can however 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. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, prospects, financial condition and results of operations

22. Our Company has allotted Equity Shares during the preceding one year from the date of the Prospectus which is lower than the Issue Price.

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

Date of Allotment	Name of the Allottee(s)	Number of Shares	Issue Price	Reason
February 24, 2016	Allotted to all the shareholders of the Company	8,13,000	Nil	Bonus Allotment
October 25, 2016	Allotted to all the shareholders of the Company	2,75,234	Nil	Bonus Allotment

23. The deployment of funds raised through this issue shall not be subject to any Monitoring Agency and shall be purely dependent on the management of the company.

Since the issue size is less than ₹ 500 crores, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this issue, is hence at the discretion of the management and the Board of Directors of the company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

24. We have not made any alternate arrangements for meeting our regular working capital requirements. If our operations do not generate the necessary cash flow, our working capital requirements may negatively affect our asset portfolio related decisions and hence affect our financial condition.

As on date, we have not made any alternate arrangements for meeting our working capital requirements. We meet our working capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations.

25. Fluctuations in operating results and other factors may result in decrease in Equity Share price.

Stock markets have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our Equity Shares. There may be significant volatility in the market price of our Equity Shares. If our Company is unable to meet market or investor expectations in relation to our financial performance, investors could sell our Equity Shares when it becomes apparent that the expectations of the market may not be realized, resulting in a decrease in the market price of our Equity Shares. In addition to our Company's operating results, changes in financial estimates or recommendations by analysts, governmental investigations, litigations, speculation in the press or investment community, the possible effects of a war, terrorist and other hostilities, changes in general conditions in the economy or the financial markets or other developments affecting the financial services industry, could cause the market price of Equity Shares to fluctuate substantially.



26. *Lack of effectiveness of our risk management systems and procedures may leave us exposed to unidentified risks or unanticipated levels of risk.*

The policies and procedures we employ to identify, monitor and manage risks may not be fully effective. Our risk management systems are based among other considerations on the use of observed historical market behaviour, information regarding clients and monitoring of trading. Consequently, these methods may not predict future risk exposures, which could be significantly greater than what the historical measures indicate. Further, the information available to us may not be accurate, complete, up-to-date or properly evaluated. The effectiveness, therefore, of our ability to manage risk exposure cannot be completely or accurately predicted or fully assured. For example, unexpectedly large or rapid movements or disruptions in one or more markets or other unforeseen developments could have a material adverse effect on our results of operations and financial condition.

Management of operational, legal and regulatory risk requires, among other things, policies and procedures to properly record and verify a large number of transactions and events. There can be no assurance that our policies and procedures will effectively and accurately record and verify this information. Failure of our risk management systems or exposure to unanticipated risks could lead to losses due to adverse changes in inventory values, decrease in the liquidity of trading positions, higher volatility in earnings, increase in our credit risk to customers as well as to third parties and increase in general systemic risk

27. *We could be exposed to risks arising from misconduct, fraud and trading errors by our employees and Business Associates.*

Our employees execute trades on behalf of our clients on their instructions. Frauds or other delinquencies by employees could include indulging in transactions that exceed authorized limits or present unacceptable risks to us; hiding unauthorized or unsuccessful trading activities from us; or the improper use of confidential information. Such misconduct could result in unacceptable business risks, losses, invite regulatory sanctions and seriously harm our reputation and could even lead to litigation. The precautions we take to prevent and detect these activities may not be effective. Any delinquencies or trading errors on the part of our employees could materially affect our business operations, financial position and/or reputation.

28. *We may not be able to maintain our current levels of profitability due to increased costs or reduced spreads.*

Our business strategy involves a relatively high level of ongoing interaction with our clients. We believe that this involvement is an important part of developing our relationship with our clients, identifying new cross-selling opportunities and monitoring our performance. However, this level of involvement also entails higher levels of costs and also requires a relatively higher gross spread, or margin, on the consumer lending products we offer in order to maintain profitability. There can be no assurance that we will be able to maintain our current levels of profitability if the gross spreads on our consumer lending products were to reduce substantially, which could adversely affect our results of operations.

29. *The Equity Shares issued pursuant to the Issue may not be listed on the BSE in a timely manner or at all.*

In accordance with the Indian law and practice, permission for listing and trading of Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Equity Shares to be submitted and there could therefore be a failure or delay in listing the Equity Shares on the BSE. Any failure or delay in obtaining such approval would restrict your ability to dispose of your Equity Shares.

30. *We have in the past entered into related party transactions and may continue to do so in the future*

We have entered into transactions with our promoters, our Group Companies and affiliates. For a list of related parties, please see the chapter titled “*Financial Statements – Annexure XXI- Related Party Transaction*” beginning on page no. 124 of this Prospectus. While we believe that all such transactions have been conducted on an arm’s length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may 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 business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise.



31. We do not own our Registered from which we operate and the same is on rental basis from our Promoter Group.

We do not own the premises on which our Registered Office is situated. Our Registered office situated at D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi – 110 085 is taken on rent basis from Ms. Sunita Bansal and M/s. Gopal Bansal HUF on a monthly rent of ₹ 10,000/-. The tenure of this agreement is for 11 months (which expires on January 16, 2018).

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.

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

Our Promoter and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship and shareholding in our Company. Our Promoter are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled “Our Business” and “Our Promoter and Promoter Group”, beginning on page nos. 67 and 96 respectively and the chapter titled “Annexure XXI - Related Party Transactions” on page no. 124 under chapter titled “Financial Statements” beginning on page no. 111 of this Prospectus.

33. There may be potential conflict of interests between our company and other venture or enterprises promoted by our promoter or directors.

The Main Object Clause of our Promoter Company and our Group Companies viz. India Finsec Limited, RG Finsec Private Limited and IFL Housing Finance Limited permits them to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Though each company has its independent business, we cannot be assured that we shall be able to adopt necessary measures for mitigating these conflicts and hence the same if not managed well, could adversely affect our results of operations and financial condition.

Also, our Company does not have any non-compete or such other agreement / arrangement with the above said companies. For further details, please refer to the chapters titled ‘Our Business’, ‘Our Group Companies’, beginning on page nos. 67 and 103, respectively and Annexure XXI - Related Party Transactions” on page no. 124 of this Prospectus.

34. We do not have substantial experience and presence in textiles business.

Our company has recently ventured into textile trading business. Our core promoter / management team are persons who have certain trading experience but primarily they have a background of finance activities.

We believe that our experience in finance sector would help us better access customer credibility as well as take benefit of strong financial and balance sheet management capabilities in running textile trading business; however since we have only recently less than one year ago entered this business. Our textile business may hence face certain fundamental risks such as our customers or suppliers not being very strong financially (which we believe would only improve after we spend some years in the business over time) or our inability to forecast demand and supply and better understand price trends in the market.

If due to this lack of experience we are unable to sustainably grow line of business; this may in turn affect our results of operations and financial condition in the future.

External Risk Factors

35. Intense competition from existing and new entities may adversely affect our revenues and profitability.

The financial services industry is rapidly evolving, intensely competitive and has few barriers to entry. We expect competition to continue and intensify in the future. We face significant competition from companies seeking to attract clients’ financial assets, including traditional and online brokerage firms, mutual fund companies and institutional players, having wide presence and a strong brand name. Many of our competitors are larger institutions, which may



have much larger customer bases and, in turn, lower costs of funds, larger branch networks and more capital than we do. In addition, some of our competitors also offer a wider range of services and financial products than we do. Some of the banks with which we compete may be more flexible and better-positioned to take advantage of market opportunities. In particular, private banks in India and many of our competitors outside of India may have operational advantages in implementing new technologies and rationalising branches. These competitors may be able to respond more quickly to new or changing opportunities, technologies and client requirements. They may also be able to undertake more extensive promotional activities, offer more attractive terms to clients and adopt more aggressive pricing policies. These competitive pressures affect the industry in which we operate as a whole and our future success will depend in large part on our ability to respond in an effective and timely manner to these competitive pressures.

As we enter newer markets and launch new products and services, we are likely to face additional competition from those who may be better capitalized, have longer operating history, have greater retail and brand presence, and better management than us. If we are unable to manage our business it might impede our competitive position and profitability.

We may not be able to compete effectively with current or future competitors and competitive pressures faced by us may harm our business.

36. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude.

37. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, if at all. Limitations on raising foreign debt may have an adverse effect on our business.

38. Our business operations are vulnerable to interest rate risk.

Our business is indirectly vulnerable to interest rate risk as it affects the willingness of customers to borrow and invest their funds with us generally. Any adverse movement in interest rates could materially and adversely affect our business and financial condition. In the event of rising interest rates, borrowers may not be willing to pay us correspondingly higher interest rates on their borrowings and may choose to repay their loans if they are able to switch to more competitively priced loans offered by other players. Any inability on our part to retain customers as a result of rising interest rates may adversely impact our earnings in future periods, which could have an adverse effect on our business, prospects, financial condition and results of operations.

39. Certain companies in India, including our Company, are required to prepare financial statements under Ind AS. The transition to Ind AS in India is very recent and still unclear and our Company may be negatively affected by these changes.

Our financial statements, including the restated financial information included in this Prospectus are prepared in accordance with Indian GAAP and restated in accordance with the requirement of SEBI ICDR Regulations. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of IFRS or U.S. GAAP. IFRS and U.S. GAAP differ in significant respects from Indian GAAP.

On February 16, 2015, the MCA issued the Companies (Indian Accounting Standards) Rules, 2015 which became effective from April 1, 2015. All companies except banks, insurance companies and NBFCs can apply these Rules and voluntarily adopt Ind AS in the financial year beginning on or after April 1, 2015. A separate transition roadmap was



issued on January 18, 2016 for banks, insurance companies and NBFCs. Pursuant to this roadmap, our Company will have to transition to Ind AS for the financial year beginning on April 1, 2015.

As Ind AS differs in certain respects from Indian GAAP on several significant areas, there can be no assurance that our Company's financial condition, results of operation, cash flow or changes in shareholders' equity will not be presented differently under Ind AS and under Indian GAAP or IFRS. When our Company adopts Ind AS reporting, it may encounter difficulties in the ongoing process of implementing and enhancing its management information systems. Our management may also have to divert its time and other resources for successful and timely implementation of Ind AS. There can be no assurance that the adoption of Ind AS by our Company will not adversely affect its results of operations or financial condition. Any failure to successfully adopt Ind AS in accordance with the prescribed timelines may have an adverse effect on the financial position and results of operations of our Company.

40. *Any future issuance of Equity Shares may dilute the investor's shareholding and sales of the Equity Shares by any of our significant shareholders may adversely affect the trading price of the Equity Shares.*

Any future issuance of the Equity Shares by the Company could dilute your shareholding. Any such future issuance of the Equity Shares or future sales of the Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares and impact our ability to raise capital through an offering of our securities. Any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. Additionally, the disposal, pledge or encumbrance of the Equity Shares by any of our significant shareholders, or the perception that such transactions may occur, may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that our significant shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

41. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, results of operations and, financial condition.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, prospects, results of operations and financial condition, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The GoI proposed to revamp the implementation of direct taxes by way of the introduction of the Direct Taxes Code (“DTC”).

The Government of India has proposed a comprehensive national goods and services tax (“GST”) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. Although the legislative bill has been passed by both houses of Parliament, we are unable to provide any assurance as to the exact date of when GST is to be introduced or any other aspect of the tax regime following implementation of the GST. Further, any disagreements between certain state governments may also create further uncertainty towards the implementation of the GST. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

Further, the General Anti Avoidance Rules (“GAAR”) are proposed to be effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

We have not determined the impact of these proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

42. *Any trading closure at the BSE may adversely affect the trading price of our Equity Shares.*

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the U.S. The BSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies,



including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on the BSE could adversely affect the trading price of the Equity Shares.

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 ₹ 309.41 lakhs and ₹ 300.09 lakhs and the book value of each Equity Share was ₹ 28.10⁽¹⁾ and ₹ 27.26 as of September 30, 2016 and March 31, 2016 respectively, as per our Restated Financial Statements. For more information, please refer the Section titled “Financial Information” beginning on page no. 111 of this Prospectus

⁽¹⁾ The company had allotted 2,75,234 bonus shares on October 25, 2016 in the ratio of 1 new fully paid up equity shares of ₹ 10 each for every 4 equity shares held. Hence the pre issue NAV as on September 30, 2016 should be read as ₹ 22.48 per share after adjusting for this post fact event.

3. Public Issue of 16,26,000 Equity Shares at price of ₹ 20 per share aggregating to ₹ 325.20 lakhs. The Issue will constitute 54.16% of the Post-Issue paid-up Equity Share capital of our Company.
4. Investors are advised to refer to the chapter titled “Basis for Issue Price” beginning on page no. 53 of this Prospectus
5. The average cost of acquisition of Equity Shares by our Promoters is.

Promoters	Average cost (₹)
India Finsec Limited	15.91
Mr. Mukesh Sharma	0.62

6. There are no financing arrangements whereby the Promoters, Promoter Group, 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 the Draft Prospectus.
7. The details of transactions by our Company with our Group Companies during the last year are disclosed under “Annexure XXI - Related Party Transactions” on page no. 124 of this Prospectus.
8. Our Company was incorporated as Sarthak Suppliers Private Limited on January 23, 2009 under the Companies Act, 1956 bearing Registration No. 186958 and having its Registered Office in Delhi. The name of the Company was changed to IFL Enterprises Private Limited vide special resolution dated January 11, 2016 and name change Certificate was issued on January 28, 2016 by the Registrar of Companies, Delhi. The status of our Company was changed to a public limited company and the name of our Company was changed to IFL Enterprises Limited vide special resolution dated January 28, 2016. A fresh Certificate of Incorporation consequent upon change of name was issued on February 18, 2016 by the Registrar of Companies, Delhi. The Company’s Corporate Identity Number is U67100DL2009PLC186958



SECTION III: INTRODUCTION

SUMMARY OF OUR INDUSTRY

FABRICS AND TEXTILE INDUSTRY

Indian Scenario

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

The textile industry employs about 40 million workers and 60 million indirectly. India's overall textile exports during FY 2015-16 stood at US\$ 40 billion.

The Indian textiles industry is extremely varied, with the hand-spun and handwoven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralized power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Market Size

The Indian textiles industry, currently estimated at around US\$ 108 billion, is expected to reach US\$ 223 billion by 2021. The industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 5 per cent to India's Gross Domestic Product (GDP), and 14 per cent to overall Index of Industrial Production (IIP).

The Indian textile industry has the potential to reach US\$ 500 billion in size according to a study by Wazir Advisors and PCI Xylenes & Polyester. The growth implies domestic sales to rise to US\$ 315 billion from currently US\$ 68 billion. At the same time, exports are implied to increase to US\$ 185 billion from approximately US\$ 41 billion currently.

Investments

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 1.85 billion during April 2000 to March 2016.

Some of the major investments in the Indian textiles industry are as follows:

- Trident Group, one of the leading manufacturers and exporters of terry towel, home textile, yarn and paper in India, has entered into a partnership with French firm Lagardere Active Group, to launch a premium range of home textiles under the renowned French lifestyle brand Elle Décor in India.
- Raymond Group has signed a Memorandum of Understanding (MoU) with Maharashtra government for setting up a textile manufacturing plant with an investment of ₹ 1,400 crore (US\$ 208.76 million) in Maharashtra's Amravati district.
- Reliance Industries Ltd (RIL) plans to enter into a joint venture (JV) with China-based Shandong Ruyi Science and Technology Group Co. The JV will leverage RIL's existing textile business and distribution network in India and Ruyi's state-of-the-art technology and its global reach.
- Giving Indian sarees a 'green' touch, Dupont has joined hands with RIL and Vipul Sarees for use of its renewable fibre product Sorona to make an 'environment-friendly' version of this ethnic ladies wear.

- Snapdeal has partnered with India Post to jointly work on bringing thousands of weavers and artisans from Varanasi through its website. “This is an endeavour by Snapdeal and India Post to empower local artisans, small and medium entrepreneurs to sustain their livelihood by providing a platform to popularise their indigenous products,” said Mr Kunal Bahl, CEO and Co-Founder, Snapdeal.
- Welspun India Ltd (WIL), part of the Welspun Group has unveiled its new spinning facility at Anjar, Gujarat - the largest under one roof in India. The expansion project reflects the ethos of the Government of Gujarat’s recent ‘Farm-Factory-Fabric-Fashion-Foreign’ Textile Policy, which is aimed at strengthening the entire textile value-chain.

Government Initiatives

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Some of initiatives taken by the government to further promote the industry are as under:

- India’s first integrated textiles city, which will largely cater to the export market and build a brand for Indian textiles abroad, is likely to be set up in the state of Andhra Pradesh.
- The Clothing Manufacturers' Association of India (CMAI) has signed a memorandum of understanding (MOU) with China Chamber of Commerce for Import and Export of Textiles (CCCT) to explore potential areas of mutual co-operation for increasing apparel exports from India.
- The Department of Handlooms and Textiles, Government of India, has tied up with nine e-commerce players and 70 retailers to increase the reach of handlooms products in the Indian market, which will generate better prices and continuous business, besides facilitating direct access to markets and consumers for weavers.
- The Union Ministry of Textiles, which has set a target of doubling textile exports in 10 years, plans to enter into bilateral agreements with Africa and Australia along with working on a new textile policy to promote value addition, apart from finalising guidelines for the revised Textile Upgradation Fund Scheme (TUFS).
- The Government of India has started promotion of its ‘India Handloom’ initiative on social media like Facebook, Twitter and Instagram with a view to connect with customers, especially youth, in order to promote high quality handloom products.
- Subsidies on machinery and infrastructure
 - The Revised Restructured Technology Up gradation Fund Scheme (RRTUFS) covers manufacturing of major machinery for technical textiles for 5 per cent interest reimbursement and 10 per cent capital subsidy in addition to 5 per cent interest reimbursement also provided to the specified technical textile machinery under RRTUFS.
 - Under the Scheme for Integrated Textile Parks (SITP), the Government of India provides assistance for creation of infrastructure in the parks to the extent of 40 per cent with a limit up to ₹ 40 crore (US\$ 6 million). Under this scheme the technical textile units can also avail its benefits.
 - The major machinery for production of technical textiles receives a concessional customs duty list of 5 per cent.
 - Specified technical textile products are covered under Focus Product Scheme. Under this scheme, exports of these products are entitled for duty credit scrip equivalent to 2 per cent of freight on board (FOB) value of exports
- The Government of India has implemented several export promotion measures such as Focus Market Scheme, Focus Product Scheme and Market Linked Focus Product Scheme for increasing share of India’s textile exports.
- Under the Market Access Initiative (MAI) Scheme, financial assistance is provided for export promotion activities on focus countries and focus product countries.

- Under the Market Development Assistance (MDA) Scheme, financial assistance is provided for a range of export promotion activities implemented by Textiles Export Promotion Councils.
- The government has also proposed to extend 24/7 customs clearance facility at 13 airports and 14 sea ports resulting in faster clearance of import and export cargo.
- The Ministry of Textiles has approved a 'Scheme for promoting usage of geotechnical textiles in North East Region (NER)' in order to capitalise on the benefits of geotechnical textiles. The scheme has been approved with a financial outlay of ₹ 427 crore (US\$ 63.67 million) for five years from 2014-15.

Road Ahead

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The organised apparel segment is expected to grow at a Compound Annual Growth Rate (CAGR) of more than 13 per cent over a 10-year period.

Exchange Rate Used: INR 1 = US\$ 0.0149 as on September 21, 2016.

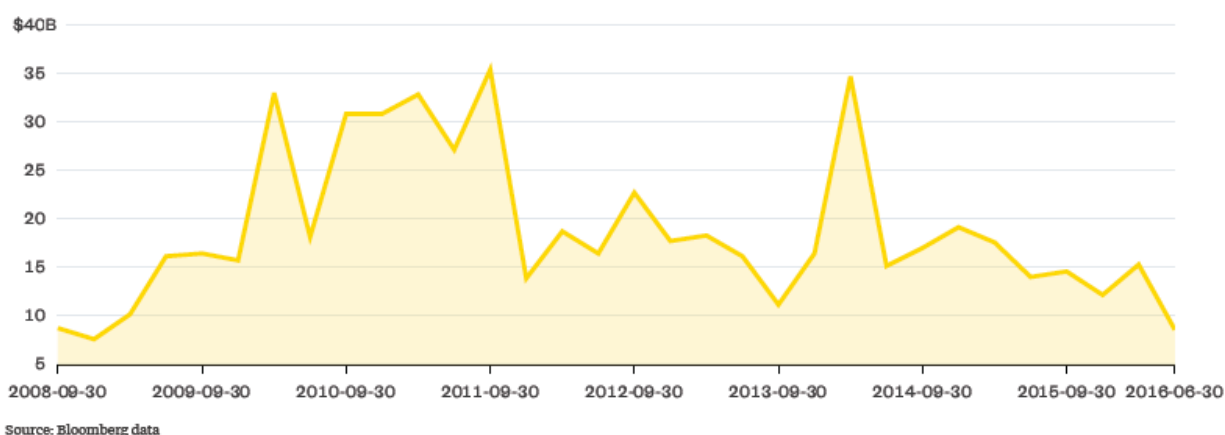
(Source: <http://www.ibef.org/industry/textiles.aspx>)

DEBT SYNDICATION INDUSTRY

Indian Scenario

There has been a 44 percent drop as compared to the previous three months, with the amount of loans syndicated involving Indian borrowers in the second quarter was slightly more than \$8.6 billion. Out of the total loans syndicated about \$1.5 billion was raised by banks and FIs such as State Bank of India, Axis Bank, HDFC Bank and Housing Development Finance to replenish their firepower, and another \$1.15 billion for ONGC Videsh, the overseas arm of the state-owned energy explorer ONGC. Apart from a clutch of borrowings by toll-road companies and some fund-raising by oil refineries, there was hardly any borrowing linked to industrial activity at home. The financing drought hasn't been this bad since the 2008 financial crisis.

India's syndicated loan market all but dried up in the June quarter



Data from the central bank also suggest that credit demand has almost collapsed, and that banks are merely parking deposits in government securities. That's hardly what one would expect in an economy supposedly expanding at a 7.6 percent pace, according to official estimates. This means that the outgoing governor of the Reserve Bank of India, will be under tremendous pressure to cut interest rates. But it's unlikely a couple of quarter-percentage-point reductions will help much, except perhaps to lure some more home buyers into the market.

The overarching theme for Indian companies for the rest of this year -- and possibly well into 2017 -- will be deleveraging. That's entirely rational, considering how overextended they are. DLF, the country's largest builder by



market value, wants to become debt-free. In March, its total borrowings of \$3.7 billion were large enough to eat up almost eight years of earnings before interest and tax.

Further, Crisil, a rating company, expects Indian telcos to spend almost \$15 billion buying spectrum from the government in planned auctions. If they do so, theirs will be a protective move ahead of the launch of fourth-generation mobile services by billionaire Mukesh Ambani's Reliance Jio.

Any borrowing to write checks to the government would be a flash in the pan, though. For all the hype around Prime Minister Narendra Modi's "Make in India" initiative, Indian companies are waiting to see demand revive before they break ground on factories and showrooms. With everybody waiting, the wait for the economy is only going to get longer.

(Source: <https://www.bloomberg.com/gadfly/articles/2016-07-06/india-s-loan-market-says-it-s-2008>)



SUMMARY OF OUR BUSINESS

About IFL Group

IFL Group is a well-established group of companies operating from Delhi and promoted by Mr. Mukesh Sharma and Mr. Gopal Bansal, both of whom are knowledgeable and experienced businessmen having over a decade of experience in Financing, Investing and Trading activities of all kind. Our group's flagship company is India Finsec Limited which is currently listed on BSE (Main Board) and is a RBI Registered NBFC having Balance Sheet size of ₹ 4,243.96 lakhs as on March 31, 2016.

About our Company

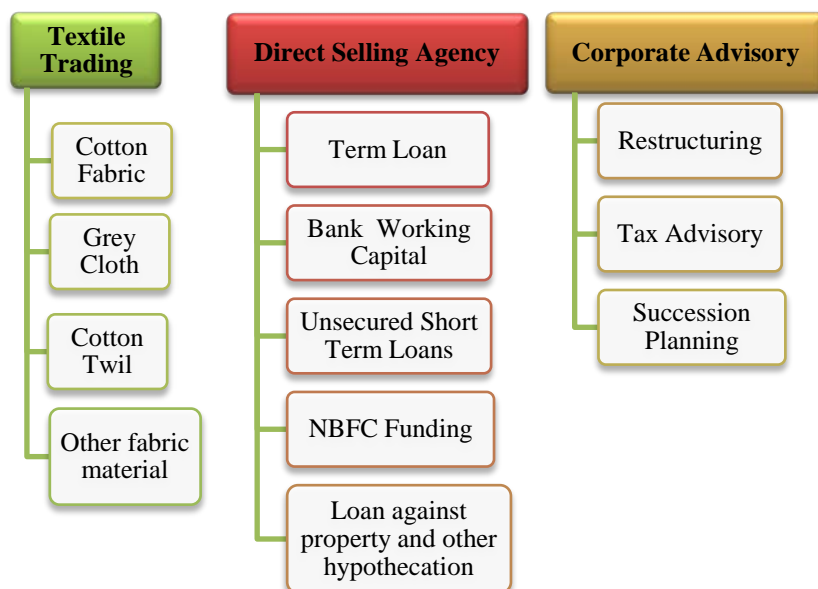
Our company was originally incorporated on January 23, 2009 as a private limited company under the provisions of Companies Act, 1956 as 'Sarhthak Suppliers Private Limited.' Subsequently, name of the company was altered to IFL Enterprises Private Limited on January 27, 2016. On February 18, 2016 our company was converted into a public company and is currently called 'IFL Enterprises Limited.'

Our company is a subsidiary of India Finsec Limited, and represents the other business activities of the group. We are engaged in the business of corporate advisory, debt syndication and execution services with paramount focus on small and medium enterprises (SMEs) in corporate and non-corporate sector. Further we are also involved in the business of trading in textile products primarily fabrics.

We have obtained Direct Selling Agency of PNB Housing Finance, Tata Capital Housing Finance Limited, and IDFC Bank. Further we are in process of obtaining DSA for ICICI Bank, Axis Bank, IDBI Bank and India Bulls. Due to these DSAs and our strong network amongst the debt finance market; we mentor and help small and medium enterprises to raise banking and institutional finance. We believe that our domain knowledge of debt markets in India would further augment our ability to invest in securities, primarily bonds and other fixed income instruments and earn good risk adjusted returns.

Further we operate as a trader in textile products, primarily fabrics. We act as an intermediary between buyer and seller buying goods on cash basis and providing credit to cash-strapped businessmen in this field. We operate these businesses from our registered office at D-16, 1st Floor, Prashant Vihar, Sector-14, Rohini, New Delhi- 11008, Delhi.

The various business segments that we operate in are as follows:





Our Strengths

1. *Organized Management team backed by Experienced Promoters*

We have an efficient management team backed by our accomplished promoters who are having more than a decade of experience in the varied business segments. We believe that with a relevant experience of our management backed by the education and experience of our KMPs would provide us a competitive advantage as compared to other unorganized players in our business segments.

For further details regarding the experience and qualifications of our management and promoters, please see the chapters titled "*Our Management*" and "*Promoters, Promoter Group and Group Companies*" beginning on page nos. 85 and 96 of this Prospectus respectively.

2. *SME focussed services*

Our company is engaged in the business of providing financial intermediary services to suit the needs of small and medium enterprises. We aim at furnishing solutions to difficulties faced by SMEs and in turn gain their trust and loyalty to extend our business. Recommendations of clients by SMEs help us increase our client base and give us opportunities to extend our business operations. SME's being the focal point of our business, maintaining good relations with them and retaining them is of utmost importance to us. Our focus on SMEs would help in creating a niche for ourselves in the financial intermediary market in Delhi and other areas when we expand further.

3. *Multiple Business verticals under one roof*

Our company was operating as a trading company since 2009. In FY 15-16; we became a subsidiary of India Finsec Ltd. and the management of the company was changed with the appointment of Mr. Mukesh Sharma on July 06, 2015. The new management in its first financial year 15-16 decided to phase wise square-off all old trading business related transactions and inducted new activities into the "Main Objects" of the company. We began the Advisory and DSA related activities in FY 15-16 and thereafter in FY 16-17 we have also re-started the trading division from our network and taking forward the old synergies of the company. Being a well funded company; we would propose to continue to add risk adjusted profit making business verticals; which are allowed by our Memorandum. We believe that being a multi business verticals company we would provide benefits of diversification to our shareholders.

4. *Direct Selling Agency Method of business*

From the financial year 2015-16, we have been operating as a Debt Advisory Firm providing networking and execution facilities to clients wanting to raise debt funds. We have successfully syndicated/ advised transactions for our clients from large Banks and FIs such as ICICI Bank, Syndicate Bank, Indiabulls and IDBI Bank. Further we have recently begun the process of obtaining Direct Selling Agencies of Banks and FIs in order to improve our margins and ability to advise clients. Hence we have already obtained Direct Selling Agency for PNB Housing Finance Limited, Tata Capital Housing Finance Limited and IDFC Bank. Further we are in talks to improve our relations with other banks and FIs and obtain more such DSA. Even though till date, we have syndicated/ advised on loans outside our registered DSA matrix, once we complete the registration process of obtaining other DSA's with our banks/ FI's our margins in the business will improve as compared to other unregistered participants in the market. We believe that having a DSA portfolio helps lend credibility to our image amongst clients and banking circles and hence augment our capability to scale up our business operations.

Business Strategies

1. *Augment Equity size and create low debt balance sheet.*

Over the years our Company has diversified its business operations by adding different lines of operation. Due to expansion of our business activities in the recent past, the company has incurred certain indebtedness in the form of unsecured loans which our Company proposes to repay by raising funds from the issue. For further details regarding repayment of loans refer chapter "*Objects of the Issue*" beginning on page no. 48 of this Prospectus. Upon the repayment of the existing loan our Company shall be a no debt company, having adequate liquidity which will enable us to raise capital at attractive rates and also at favourable terms (if required) in the future.



2. Explore other verticals within the liquidity pressured trading circles of Delhi.

We have an efficient management team backed by our accomplished promoters who are having more than a decade of experience in conducting various business operations. Further our Company is a subsidiary India Finsec Limited which is currently listed on BSE (Main Board) and is a RBI Registered NBFC. Currently the trading circle of Delhi is liquidity pressured, which can be in turn an opportunity for our Company. Our Company through its textile trading business can provide flexible credit facilities to the liquidity pressured traders by buying the fabric required by them in bulk quantities from the suppliers and aid them with a steady supply and credit period, thus reducing the financial pressure on them. Being a subsidiary of India Finsec Limited which is a registered NBFC, our Company has the ability to determine/ assess the credibility of the various traders before providing them with the credit facility. Thus we believe that by having adequate liquidity and ability to assess the credibility, our Company will be able to explore other the trading segments of Delhi.

3. Create a niche by focussing on Small and Medium Enterprises (SMEs)

Aim of our company is to render financial intermediary services to Banks, Financial Institutions, NBFCs and other similar organizations keeping small and medium enterprises as its focal point. Small and medium enterprises stand in need of long term financial assistance with lower risk to help them evolve as large corporate entities. Unlike banks and other financial institutions, we aim to support the diverse financing needs of SME's and in turn create a niche by focusing on Small and Medium Enterprises. *For further details regarding our bond market in India, please refer to "Industry Overview" beginning on page no. 58 of this Prospectus.*

4. Innovate and further create opportunities like DSA

We engage in the business of providing debt advisory services and are also in the Direct Agency services of large Banks and FIs such as PNB Housing Finance Limited, Tata Capital Housing Finance Limited and IDFC Bank. We are also in the process of obtaining Direct Agency services of ICICI Bank, Axis Bank, India bulls and IDBI Bank. We seek opportunities to diversify our business operations and enter into new lines of business. We plan to expand our business by creating innovative opportunities like DSA services. Till date we have only syndicated/ advised on loans outside our registered DSA matrix, however once we complete the registration process of obtaining other DSA's with our banks and FIs our margins in the business will improve.



SUMMARY OF OUR FINANCIALS

Annexure I STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
EQUITY AND LIABILITIES						
Shareholder's fund						
a) Share Capital	110.09	110.09	6.78	6.78	6.78	6.78
b) Reserves and surplus	199.32	190.00	225.33	225.30	225.28	225.25
Total Shareholders Fund	309.41	300.09	232.11	232.08	232.05	232.03
Non-current liabilities						
b) Deferred Tax Liabilities (Net)	0.26	0.23	-	-	-	-
Total	0.26	0.23	-	-	-	-
Current liabilities						
a) Short-term borrowings	261.00	-	-	-	-	-
b) Trade payables	-	-	-	5.69	-	-
c) Other current liabilities	3.46	5.42	175.56	0.06	0.05	0.05
d) Short Term Provisions	9.70	5.56	0.01	0.01	0.01	0.01
Total	274.16	10.98	175.57	5.76	0.06	0.06
TOTAL	583.83	311.30	407.68	237.83	232.11	232.09
ASSETS						
Non - Current Assets						
a) Fixed Assets						
i) Tangible assets	11.84	3.80	-	-	-	-
ii) Intangible assets	-	-	-	-	-	-
b) Non-Current Investments	195.42	220.46	-	-	-	-
d) Other Non Current Assets	-	-	-	-	0.04	0.11
Total	207.25	224.26	-	-	0.04	0.11
Current Assets						
a) Current Investments	-	-	225.00	10.00	10.00	31.00
b) Inventories	109.92	4.80	4.80	-	-	-
c) Trade Receivables	164.32	9.20	-	5.89	-	-
d) Cash and Cash Equivalents	62.99	20.48	13.36	1.19	3.37	3.58
e) Short Term Loans & Advances	39.35	52.56	164.52	220.75	218.70	197.40
Total	376.57	87.04	407.68	237.83	232.07	231.98
TOTAL	583.83	311.30	407.68	237.83	232.11	232.09



Annexure II
STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the Period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
REVENUE:						
Revenue from Operations	185.67	33.76	6.74	5.89	-	-
Other Income	0.10	5.46	1.21	2.37	2.40	3.02
Total revenue	185.77	39.22	7.95	8.26	2.40	3.02
EXPENSES:						
Employee benefit expenses	10.04	8.92	1.07	2.13	2.04	2.65
Purchases of stock in trade	259.66	-	11.41	5.69	-	-
Changes in inventories	(105.11)	-	(4.80)	-	-	-
Finance costs	-	-	-	-	-	-
Depreciation and amortization expense	0.98	1.32	-	-	-	-
Administration Expenses	5.63	10.26	0.22	0.41	0.33	0.35
Loss on Sale of Investment	1.09	-	-	-	-	-
Total expenses	172.29	20.49	7.90	8.23	2.37	3.00
Net Profit / (Loss) before Tax	13.48	18.73	0.05	0.03	0.03	0.02
Less: Provision for Tax						
Current tax	4.14	5.56	0.01	0.01	0.01	0.01
Deferred tax	0.03	0.23	-	-	-	-
Total Tax	4.17	5.79	0.01	0.02	0.01	0.01
Net Profit / (Loss) for the period after tax but before extra ordinary items	9.32	12.94	0.04	0.02	0.02	0.01
Extraordinary Items	-	-	-	-	-	-
Net Profit / (Loss) for the period after tax and after extra ordinary items available for appropriation	9.32	12.94	0.04	0.02	0.02	0.01
Less : Proposed Dividend	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-
Net Profit transferred to Reserves	9.32	12.94	0.03	0.02	0.02	0.01



Annexure III
CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Cash Flow From Operating Activities						
Net Profit Before Tax	13.48	18.73	0.04	0.04	0.03	0.02
Adjustments for :						
Depreciation/Amortisation	0.98	1.32	-	-	-	-
Profit on sale on investments	-	(5.46)	-	-	-	-
Deferred Revenue exp written off	-	-	-	0.04	0.07	0.07
Operating Profit Before Working Capital Adjustment	14.46	14.59	0.04	0.08	0.10	0.09
Adjustment for Changes in Working Capital						
Adjusted for (Increase)/ Decrease in:						
Trade Receivables	(155.12)	(9.20)	5.89	(5.89)	-	-
Inventories	(105.11)	-	(4.80)	-	-	-
Short Term Loans and Advances	13.21	114.40	56.22	(2.05)	(21.30)	(194.40)
Other Current Assets	-	-	-	-	-	-
Short Term Borrowings	261.00	-	-	-	-	-
Trade Payables	-	-	(5.69)	5.69	-	0.03
Current Liabilities	(1.96)	(170.14)	175.50	0.01	-	-
Cash Flow Generated from Operations	26.48	(50.35)	227.18	(2.17)	(21.20)	(194.29)
Less: Income Tax Paid	-	2.46	0.01	0.01	0.01	0.00
Net Cash flow from Operating Activities (A)	26.48	(52.81)	227.16	(2.18)	(21.21)	(194.29)
Cash Flow From Investing Activities						
Purchase of Fixed Assets	(9.01)	(5.11)	-	-	-	-
Sale/(Purchase) of investments	-	-	-	-	21.00	192.00
Sale/(Purchase) of investments	25.04	10.00	(215.00)			
Net Cash Flow from/(used in) Investing Activities (B)	16.03	4.89	(215.00)	-	21.00	192.00
Cash Flow From Financing Activities						
Proceeds From Share Capital	-	55.05	-	-	-	-
Net Cash Flow from Financing Activities (C)	-	55.05	-	-	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	42.51	7.12	12.16	(2.18)	(0.21)	(2.29)
Cash & Cash equivalent at the beginning of the year	20.48	13.36	1.19	3.37	3.58	5.87
Cash & Cash Equivalent at the end of the year	62.99	20.48	13.36	1.19	3.37	3.58



THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS

Equity Shares Offered⁽¹⁾: Present Issue of Equity Shares by our Company ⁽²⁾	16,26,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20 per share aggregating ₹ 325.20 lakhs.
Which comprises:	
Issue Reserved for the Market Maker	90,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20 per share aggregating ₹ 18.00 lakhs
Net Issue to the Public	15,36,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20 per share aggregating ₹ 307.20 lakhs
	Of Which⁽³⁾:
	7,68,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	7,68,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
Equity Shares outstanding prior to the Issue	13,76,172 Equity Shares
Equity Shares outstanding after the Issue	30,02,172 Equity Shares
Objects of the Issue	Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 48 of this 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. 162 of this Prospectus.

⁽²⁾ The present issue has been authorised by our Board vide resolution passed at its meeting held on September 05, 2016 and by our Shareholders vide a special resolution passed pursuant to section 62 (1)(C) of the Companies Act, 2013 at the Annual General Meeting held on September 30, 2016.

⁽³⁾ Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. 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 affected in accordance with applicable laws, rules, regulations and guidelines.



GENERAL INFORMATION

Our Company was incorporated as Sarthak Suppliers Private Limited on January 23, 2009 under the Companies Act, 1956 bearing Registration No. 186958 and having its Registered Office in Delhi. The name of the Company was changed to IFL Enterprises Private Limited vide special resolution dated January 11, 2016 and name change Certificate was issued on January 28, 2016 by the Registrar of Companies, Delhi. The status of our Company was changed to a public limited company and the name of our Company was changed to IFL Enterprises Limited vide special resolution dated January 28, 2016. A fresh Certificate of Incorporation consequent upon change of name was issued on February 18, 2016 by the Registrar of Companies, Delhi. The Company's Corporate Identity Number is U67100DL2009PLC186958

For further details, please refer to the chapter titled “*History and Certain Corporate Affairs*” beginning on page no. 81 of this Prospectus.

Brief Company and Issue Information

Registered Office	D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi – 110 085 Tel No: +91 – 11- 2755 5434 Fax No: +91 - 11- 2702 9051 Email: iflenterprises@rediffmail.com Website: www.iflenterprises.com
Date of Incorporation	January 23, 2009
Company Registration No.	186958
Company Identification No.	U67100DL2009PLC186958
Address of Registrar of Companies	4 th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019. Tel No.: +91 – 11- 2623 5704 Fax No.: +91 – 11- 2623 5702
Designated Stock Exchange	SME Platform of BSE
Company Secretary & Compliance Officer	Mr. Sandeep Kumar D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi – 110 085 Tel No.: +91 – 11- 2755 5434 Fax No.: +91 - 11- 2702 9051 Email: iflenterprises@rediffmail.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. Gopal Bansal	Chairman and Managing Director	01246420
Mr. Mukesh Sharma	Executive Director	00274217
Mr. Ashok Kumar Bansal	Non-Executive Non Independent Director	07069510
Mr. Pramod Sharma	Non-Executive Independent Director	07539741
Ms. Himanshi Kashyap	Non-Executive Independent Director	07681277

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. 85 of this 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/ Designated Intermediary, where the Application Form was submitted by the Applicants.

Details of Key Intermediaries pertaining to this Issue and Our Company

LEAD MANAGER TO THE ISSUE



ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE 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. Vimal Maniyar/ Mr. Manoj Agarwal

SEBI Registration No.: INM000011344

REGISTRAR TO THE ISSUE



SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

D-153A, 1st Floor, Okhla Industrial Area
Phase-I, New Delhi - 110 020

Tel No.: +91 - 11 - 2681 2682/83

Fax No.: +91 - 11 - 3085 7562

Contact Person: Mr. Virender Rana

Email: viren@skylinerta.com

Website: www.skylinerta.com

SEBI Registration No.: INE00003241

LEGAL COUNSEL TO THE ISSUE



M/S KANGA & COMPANY (ADVOCATES & SOLICITORS)

Readymoney Mansion,
43, Veer Nariman Road,
Mumbai – 400 001

Tel No.: +91 – 22 – 6623 0000, +91 – 22 – 6633 2288

Fax No.: +91 – 22 – 6633 9656 / 57

Contact Person: Mr. Chetan Thakkar

Email: chetan.thakkar@kangacompany.com

Website: www.kangacompany.com

STATUTORY AUDITOR OF THE COMPANY

M/S. V. N. PUROHIT & CO.

214, New Delhi House, 2nd Floor,
27, Barakhamba Road, New Delhi- 110 001.

Tel Fax: +91- 11 - 4359 6011

Email: vnpdelhi@vnpaudit.com

Website: www.vnpaudit.com

Contact Person: Mr. O. P. Pareek

BANKER(S) TO OUR COMPANY



AXIS BANK LIMITED

D-12, Outer Ring Road,
Prashant Vihar, Delhi.

Tel No.: +91 – 11 – 4708 3483/ 085128 92137

Fax No.: +91 – 11 – 4708 3483

Website: www.axisbank.com

Email: ankur.arya@axisbank.com

Contact Person: Mr. Ankur Arya



BANKER(S) TO THE ISSUE



AXIS BANK LIMITED
Jeevan Prakash Building,
Sir P.M. Road, Fort, Mumbai – 400 001
Tel No.: +91 – 22 – 4086 7376 / 7464
Fax No.: +91 – 22 – 4086 7327
Website: www.axisbank.com
Email: fort.operationshead@axisbank.com
Contact Person: Mr. Anil Kanekar
SEBI Registration No.: INBI00000017

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, at BSE Limited, 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 at BSE Limited, 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 at BSE Limited, 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 (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.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, 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 Prospectus.



IPO GRADING

No credit rating agency registered with SEBI has been appointed for grading the Issue.

TRUSTEES

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

DETAILS OF THE APPRAISING AUTHORITY

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

CREDIT RATING

This being an issue of sale of Equity Shares, no credit rating is 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. 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 Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Restated Financial Statements dated November 15, 2016 and the Statement of Tax Benefits dated November 15, 2016, issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this 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	March 07, 2017
Issue Closing Date	March 10, 2017
Finalisation of Basis of Allotment with the Designated Stock Exchange	March 16, 2017
Initiation of Allotment / Refunds / Unblocking of Funds	March 17, 2017
Credit of Equity Shares to demat accounts of Allottees	March 20, 2017
Commencement of trading of the Equity Shares on the Stock Exchange	March 21, 2017

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 (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on



the Issue Closing Date. All times mentioned in this 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 or the electronic 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 SCSB or the member of the Syndicate for rectified data.

UNDERWRITING

This Issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement dated November 08, 2016 with the Underwriters for the Equity Shares proposed to be offered through the Issue. 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 given their consent for inclusion of their name in the Prospectus as Underwriters and have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriters	No. of Shares Underwritten	Amount Underwritten (₹ in lakhs)	% of the Total Issue Size Underwritten
Aryaman Financial Services Ltd. 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 6216 6999 Fax No.: +91 – 22 – 2263 0434 Email: ipo@afsl.co.in Website: www.afsl.co.in	15,36,000	307.20	94.46%
MSB E- Trade Securities Limited C-619, Ground Floor, Saraswati Vihar, Pitampura, New Delhi- 110034. Tel. No.: +91 – 11 – 4710 7777 Fax No.: +91 – 11 – 4710 7731 Email: msbetrade@rediffmail.com Website: www.msbetrade.com	90,000	18.00	5.54%
Total	16,26,000	325.20	100.00%

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

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

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 Board meeting for 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. 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. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

MARKET MAKER



MSB E- Trade Securities Limited
C-619, Ground Floor, Saraswati Vihar,
Pitampura, New Delhi- 110034.
Tel. No.: +91 – 11 – 4710 7777
Fax No.: +91 – 11 – 4710 7731
Email: msbetrade@rediffmail.com
Website: www.msbetrade.com
Contact Person: Mr. Munish Bajaj
SEBI Registration No.: INB011278836
Market Maker Reg. No.: MM0639501032013

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 November 08, 2016 with MSB E- Trade Securities Limited, a Market Maker registered with the SME Platform of BSE in order to fulfil the obligations of Market Making.

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than M 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 BSE SME Platform from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a scrip 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 SME Platform of BSE and Market Maker will remain present as per the guidelines mentioned under BSE 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 particular point of time.

9. **Risk containment measures and monitoring for Market Maker:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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 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		
	31,00,000 Equity Shares of face value of ₹ 10 each	310.00	-
B	Issued, Subscribed and Paid-up Share Capital before the Issue		
	13,76,172 Equity Shares of face value of ₹ 10 each	137.62	-
C	Present Issue in terms of this Prospectus⁽¹⁾		
	16,26,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per share	162.60	325.20
	<i>Which comprises:</i>		
	90,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share reserved as Market Maker Portion	9.00	18.00
	Net Issue to Public of 15,36,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share to the Public	153.60	307.20
	<i>Of which⁽²⁾:</i>		
	7,68,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	76.80	153.60
	7,68,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	76.80	153.60
D	Equity Share Capital after the Issue		
	30,02,172 Equity Shares of ₹ 10 each	300.22	
E	Securities Premium Account		
	Before the Issue (as on date of this Prospectus)	149.43	
	After the Issue	312.03	

⁽¹⁾ The present Issue has been authorized pursuant to a resolution of our Board dated September 05, 2016 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Annual General Meeting of our shareholders held on September 30, 2016.

⁽²⁾ Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. 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 affected in accordance with applicable laws, rules, regulations and guidelines.

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

Changes in Authorized Share Capital

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

1. The initial authorised share capital of ₹ 1,00,000 divided into 1,00,000 Equity Shares of ₹ 1 each was increased to ₹ 9,00,000 divided into 9,00,000 Equity Shares of ₹ 1 each, pursuant to resolution of shareholders passed at the EGM held on March 30, 2009.
2. The authorised share capital of ₹ 9,00,000 divided into 9,00,000 Equity Shares of ₹ 1 each was increased to ₹ 10,00,000 divided into 10,00,000 Equity Shares of ₹ 1 each, pursuant to resolution of shareholders passed at the EGM held on November 25, 2015.
3. Consolidation of ₹ 10,00,000 divided into 10,00,000 Equity Shares of ₹ 1 each into 1,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on January 28, 2016.



4. The authorised share capital of ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each was increased to ₹ 3,10,00,000 divided into 31,00,000 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	1,00,000	1	1	Subscription to MoA	Cash	1,00,000	1,00,000	-
March 31, 2009	5,77,500	1	40	Further Allotment	Cash	6,77,500	6,77,500	2,25,22,500
January 28, 2016 ⁽¹⁾	Consolidation of the Face Value of the Equity Shares from ₹ 1 to ₹ 10 each					67,750	6,77,500	2,25,22,500
February 24, 2016 ⁽²⁾	8,13,000	10	Nil	Bonus Allotment	Other than Cash	8,80,750	88,07,500	1,43,92,500
March 31, 2016 ⁽³⁾	2,20,188	10	25	Further Allotment	Cash	11,00,938	1,10,09,380	1,76,95,320
October 25, 2016 ⁽⁴⁾	2,75,234	10	Nil	Bonus Allotment	Other than Cash	13,76,172	1,37,61,720	1,49,42,980

⁽¹⁾ Pursuant to EGM held on January 28, 2016 our Company has Consolidation the Equity Shares of face value ₹ 1 each to Equity Shares of face value ₹ 10 each.

⁽²⁾ Pursuant to EGM held on February 23, 2016 our Company has approved 8,13,000 Bonus Shares in the ratio of 12:1 i.e. 12 equity shares for every 1 equity share held to the shareholders, by way of capitalization of Free Reserve/ Securities Premium account.

⁽³⁾ Pursuant to Board Meeting held on March 11, 2016, our Company has approved 2,20,188 shares on Rights basis at a ratio of 1:4 i.e. 1 Equity Shares for every 4 Equity Shares held to the shareholders.

⁽⁴⁾ Pursuant to AGM held on September 30, 2016 our Company has approved 2,75,234 Bonus Shares in the ratio of 1:4 i.e. 1 equity shares for every 4 equity share held to the shareholders, by way of capitalization of Free Reserve/ Securities Premium account.

b) Shares allotted for consideration other than cash

The following shares were allotted for consideration other than cash:

Date of Allotment	No. of Equity Shares	FV (₹)	Issue Price (₹)	Nature of Allotment	Allotted Person	Benefits Accrued to the Company
February 24, 2016	8,13,000	10	Nil	Bonus Allotment	Allotted to all the Shareholders of the Company as on the date of allotment	Expansion of Capital
October 25, 2016	2,75,234	10	Nil	Bonus Allotment	Allotted to all the Shareholders of the Company as on the date of allotment	Expansion of Capital

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

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

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

Date of Allotment	Name of the Allottees	Number of Shares	Issue Price (₹)	Reason	Promoter/Promoter Group
February 24, 2016	India Finsec Limited	2,40,900	Nil	Bonus Allotment	Yes
	Precious Tradeways (P) Ltd.	1,56,000			No
	Mr. Mukesh Sharma	60,000			Yes
	Mr. Sandeep Gaur	60,000			No
	Vemuri Finvest (P) Ltd.	45,000			No
	Ms. Rinku Goyal	39,600			No
	Mr. Sushil Sharma	36,000			No
	Mr. Sanjay Sharma	36,000			No
	Ms. Asha Devi Goyal	30,000			No
	Ms. Charu Goyal	30,000			No
	Mr. Vijay Kumar Aggarwal	18,000			No
	Mr. Hitendra Sharma	16,500			No
	Ms. Meera Devi Aggarwal	16,500			No
	Mr. Suresh Chand Verma	16,500			No
	Mr. Murli Dhar	7,500			No
Ms. Rukmani Devi Bansal	4,500	No			
October 25, 2016	India Finsec Limited	1,77,978	Nil	Bonus Allotment	Yes
	Mr. Mukesh Sharma	16,250			Yes
	Mr. Sandeep Gaur	16,250			No
	Ms. Rinku Goyal	10,725			No
	Mr. Sushil Sharma	9,750			No
	Mr. Sanjay Sharma	9,750			No
	Ms. Asha Devi Goyal	8,125			No
	Ms. Charu Goyal	5,000			No
	Mr. Vijay Kumar Aggarwal	4,875			No
	Mr. Hitendra Sharma	4,469			No
	Ms. Meera Devi Aggarwal	4,469			No
	Mr. Suresh Chand Verma	4,468			No
	Ms. Rekha Sharma	3,125			No

- f) Shareholding of our Promoters

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

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	Face Value (₹)	Issue Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital	Lock in Period
Mr. Mukesh Sharma									
Upon Incorporation	Subscription to MoA	Cash	50,000	1	1	50,000	-	-	N.A.
January 28, 2016 ⁽¹⁾	Consolidation of Equity Shares Face Value of the Equity Shares from ₹ 1 to ₹ 10 each					5,000	0.36%	0.17%	3 Years
February 24, 2016 ⁽²⁾	Bonus Allotment	Other than Cash	45,000	10	Nil	65,000	3.27%	1.50%	3 Years
			15,000				1.09%	0.50%	1 Year
October 25, 2016 ⁽³⁾	Bonus Allotment	Other than Cash	16,250	10	Nil	81,250	1.18%	0.54%	1 Year
India Finsec Limited									
April 05, 2015	Transfer	Cash	1,30,125	1	8.63	1,30,125	-	-	N.A.
October 05, 2015	Transfer	Cash	58,750	1	25	1,88,875	-	-	N.A.



Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	Face Value (₹)	Issue Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital	Lock in Period
February 20, 2016	Transfer	Cash	11,875	1	25	2,00,750	-	-	N.A.
January 28, 2016 ⁽¹⁾	Consolidation of Equity Shares Face Value of the Equity Shares from ₹ 1 to ₹ 10 each					20,075	1.46%	0.67%	3 Years
February 24, 2016 ⁽²⁾	Bonus Allotment	Other than Cash	2,40,900	10	Nil	2,60,975	17.51%	8.02%	3 Years
March 10, 2016	Transfer	Cash	2,30,750	10	25	4,91,725	16.77%	7.69%	3 Years
March 31, 2016 ⁽³⁾	Further Allotment	Cash	63,275	10	25	7,11,913	4.60%	2.11%	3 Years
			1,56,913				11.40%	5.23%	1 Year
October 25, 2016 ⁽⁴⁾	Bonus Allotment	Other than Cash	1,77,978	10	Nil	8,89,891	12.93%	5.93%	1 Year

⁽¹⁾ Pursuant to EGM held on January 28, 2016 our Company has Consolidation the Equity Shares of face value ₹ 1 each to Equity Shares of face value ₹ 10 each.

⁽²⁾ Pursuant to EGM held on February 23, 2016 our Company has approved 8,13,000 Bonus Shares in the ratio of 12:1 i.e. 12 equity shares for every 1 equity share held to the shareholders, by way of capitalization of Free Reserve/ Securities Premium account.

⁽³⁾ Pursuant to Board Meeting held on March 11, 2016, our Company has approved 2,20,188 shares on Rights basis at a ratio of 1:4 i.e. 1 Equity Shares for every 4 Equity Shares held to the shareholders.

⁽⁴⁾ Pursuant to AGM held on September 30, 2016 our Company has approved 2,75,234 Bonus Shares in the ratio of 1:4 i.e. 1 equity shares for every 4 equity share held to the shareholders, by way of capitalization of Free Reserve/ Securities Premium account.

Our Promoters has confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters has been financed from his personal funds and no loans or financial assistance from any bank or financial institution has been availed for this purpose.

Notes:

- None of the shares belonging to our Promoters have been pledged till date.
 - All the shares held by our Promoters were fully paid-up on the respective dates of acquisition of such shares.
 - The entire Promoters' shares shall be subject to lock-in from the date of listing of the equity shares issued through this 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. 38 of this Prospectus.
- g) None of the members of the Promoter Group, Directors and their immediate relatives have entered into any transactions in the Equity shares of our Company within the last six months from the date of the Draft Prospectus.
- h) 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 the Draft Prospectus.
- i) The shareholding of the Directors of our Promoter, India Finsec Limited is as below:

Name of Director of our Promoter	No. of Shares held	% of Pre- Issue share Capital
Mr. Mukesh Sharma	81,250	5.90%
Ms. Charu Goyal	25,000	1.82%
TOTAL	1,06,250	7.72%



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

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

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

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

Name of Promoters	No. of Shares locked in	As a % of Post Issue Share Capital
India Finsec Limited	5,55,000	18.49%
Mr. Mukesh Sharma	50,000	1.67%
Total	6,05,000	20.15%

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 see Note 1(f) under "Notes to Capital Structure" on page no. 38 of this 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.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.

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

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

b) Details of Shares locked-in for one year

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



the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

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				
India Finsec Limited	8,89,891	64.66%	8,89,891	29.64%
Mr. Mukesh Sharma	81,250	5.90%	81,250	2.71%
2. Promoters Group (as defined by SEBI (ICDR) Regulations)	-	-	-	-
3. Other Persons, Firms or Companies whose shareholding is aggregated for the purpose of disclosing in the Prospectus under the heading "Shareholding of the Promoter Group".	-	-	-	-
Total Promoters & Promoter Group Holding	9,71,141	70.57%	9,71,141	32.35%
Total Paid up Capital	13,76,172	100.00%	30,02,172	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 Prospectus are as follows:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Equity Share Capital
1	India Finsec Limited	8,89,891	64.66%
2	Mr. Mukesh Sharma	81,250	5.90%
3	Mr. Sandeep Gaur	81,250	5.90%
4	Ms. Rinku Goyal	53,625	3.90%
5	Mr. Sushil Sharma	48,750	3.54%
6	Mr. Sanjay Sharma	48,750	3.54%
7	Ms. Asha Devi Goyal	40,625	2.95%
8	Ms. Charu Goyal	25,000	1.82%
9	Mr. Vijay Kumar Agarwal	24,375	1.77%
10	Mr. Hitendra Sharma	22,344	1.62%
11	Ms. Meera Devi Aggarwal	22,344	1.62%
	Total	13,38,204	97.24%

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

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Equity Share Capital
1	India Finsec Limited	8,89,891	64.66%
2	Mr. Mukesh Sharma	81,250	5.90%
3	Mr. Sandeep Gaur	81,250	5.90%
4	Ms. Rinku Goyal	53,625	3.90%
5	Mr. Sushil Sharma	48,750	3.54%
6	Mr. Sanjay Sharma	48,750	3.54%
7	Ms. Asha Devi Goyal	40,625	2.95%



Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Equity Share Capital
8	Ms. Charu Goyal	25,000	1.82%
9	Mr. Vijay Kumar Agarwal	24,375	1.77%
10	Mr. Hitendra Sharma	22,344	1.62%
11	Ms. Meera Devi Aggarwal	22,344	1.62%
	Total	13,38,204	97.24%

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

Sr. No.	Particulars	No. of Shares	% of Shares then Paid up Equity Share Capital
1	Value Distributors (P) Ltd.	2,23,125	32.93%
2	Precious Tradeways (P) Ltd.	1,80,000	26.57%
3	Mr. Mukesh Sharma	50,000	7.38%
4	Mr. Sandeep Gaur	50,000	7.38%
5	Vemuri Finvest (P) Ltd.	37,500	5.54%
6	Orchid Buildpro (P) Ltd.	37,500	5.54%
7	P Seven General Finance (P) Ltd.	21,250	3.14%
8	Mr. Vijay Kumar Aggrawal	15,000	2.21%
9	Mr. Hitendra Sharma	13,750	2.03%
10	Ms. Meera Devi Aggarwal	13,750	2.03%
11	Mr. Suresh Chand Verma	13,750	2.03%
	Total	6,55,625	96.77%

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. 85 of this 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 169 of this 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 Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
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 Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
13. As on date of this 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.



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- 14.** 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.
 - 15.** All Equity Shares transferred pursuant to this Issue will be fully paid up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Prospectus
 - 16.** Except as disclosed in the 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.
 - 17.** 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 Prospectus.
 - 18.** As on date of this 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.
 - 19.** Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
 - 20.** The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
 - 21.** Our Company has Thirteen (13) shareholders, as on the date of this Prospectus.
 - 22.** Our Company has not revalued its assets since incorporation.
 - 23.** Our Company has not made any public issue (including any right issue to the public) since its incorporation.



24. Shareholding Pattern of the Company

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

Category (I)	Category of Share-holder (II)	No. of Share-holder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares Underlying Depository Receipts (VI)	Total Nos. Shares held (VII) = (IV) + (V) + (VI)	Share holding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)				No of 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	2	9,71,141	-	-	9,71,141	70.57%	9,71,141	-	9,71,141	70.57%	-	70.57%	-	-	-	-	9,71,141
(B)	Public	11	4,05,031	-	-	4,05,031	29.43%	4,05,031	-	4,05,031	29.43%	-	29.43%	-	-	-	-	3,82,687
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	13	13,76,172	-	-	13,76,172	100.00%	13,76,172	-	13,76,172	100.00%	-	100.00%	-	-	-	-	13,53,828



Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “ Public” and holding more than 1% of the total number of shares.

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Equity Share Capital
1	Mr. Sandeep Gaur	81,250	5.90%
2	Ms. Rinku Goyal	53,625	3.90%
3	Mr. Sushil Sharma	48,750	3.54%
4	Mr. Sanjay Sharma	48,750	3.54%
5	Ms. Asha Devi Goyal	40,625	2.95%
6	Ms. Charu Goyal	25,000	1.82%
7	Mr. Vijay Kumar Aggarwal	24,375	1.77%
8	Ms. Meera Devi Aggarwal	22,344	1.62%
9	Mr. Suresh Chand Verma	22,344	1.62%
10	Mr. Hitendra Sharma	22,344	1.62%
11	Ms. Rekha Sharma	15,625	1.14%
	Total	4,05,031	29.43%



SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

We intend to use the proceeds of the Issue for the following purposes:

- Repayment of Unsecured Loans from NBFC
- General Corporate Purposes
- Issue Expenses

The other Objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on the SME Platform of BSE. We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

The main object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the objects clause of our Memorandum of Association.

We intend to utilise the Issue proceeds, after deducting public issue expenses for above mentioned purposes.

Issue Proceeds & Net Issue Proceeds

Details of proceeds of the Issue are set forth in the table below:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1	Gross proceeds from Issue	325.20
2	Issue Related Expenses	41.00
	Net Proceeds from the Issue	284.20

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 or financial institution.

We intend to utilise the Proceeds of the Issue ("Net Proceeds") of ₹ 284.20 lakhs for financing the objects as set forth below:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1	Repayment of Unsecured Loans from NBFC	250.00
2	General Corporate Expenses	34.20
	Total	284.20

The entire fund requirements are to be financed from the Net 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.

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 no. 9 of this Prospectus.



Details of the Fund Requirements

1. Repayment of Unsecured Loans from NBFC

Due to expansion of our business activities in the recent past, the company has incurred certain indebtedness from private entities, which have funded us in the form of unsecured loans for financing our capital needs. We intend to utilize an amount aggregating to ₹ 250.00 lakhs from the Issue proceeds in order to repay these liabilities. We believe that a low debt balance sheet would help us manage our cash flows more efficiently.

Following are the details of the loans we intend to repay from the issue proceeds:

(₹ in Lakhs)

Sr. No.	Name of Lender	Amount of Loan outstanding*	Amount of Loan proposed to be repaid from IPO proceeds	Amount of Loan outstanding after IPO
1	Tushar Leasing & Investment Pvt. Ltd.	250.00	250.00	-
	Total	250.00	250.00	-

*M/s. V. N. Purohit & Co., Chartered Accountants have vide their certificate dated December 18, 2016 confirmed that ₹ 250.00 lakhs stands outstanding as a unsecured loan in our books as on December 16, 2016. They have further confirmed that these loans were received through banking channels and were utilised towards repayment of earlier loans / liabilities of the company.

2. General Corporate Purposes

We intend to use approximately ₹ 34.20 lakhs from the Proceeds of the Issue towards general corporate expenses as decided by our Board from time to time, including but not restricted to our bank deposits, deposits for renting or otherwise acquiring business premises, setting-up of new services, deposits, obtaining new or enabling accreditations and licenses, strategic initiatives, expansion into new geographies, brand building exercises, strengthening of our marketing capabilities, implementing enterprise resource planning tools and methodology, in our operations and other project related investments and commitments and execution capabilities in order to strengthen our operations.

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes

3. Issue Related Expenses

The estimated issue related expenses include, among others, underwriting and selling commissions, printing and Distribution expenses, legal fees, advertisement expenses, registrar's fees, depository fees and listing Fees. The total expenses for this Issue are estimated to be approximately ₹ 41.00 lakhs, which is 12.61% of the Issue size.

All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Activity	Expenses (₹ in lakhs)	Percentage of Issue Expenses	Percentage of Issue Size
Payment to Merchant Banker including fees and reimbursements of selling commissions, Underwriting, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc. and other out of pocket expenses	28.00	68.29%	8.61%
Printing and Stationery and postage expenses	3.00	7.32%	0.92%
Advertising and Marketing expenses	3.00	7.32%	0.92%
Regulatory fees and expenses	7.00	17.07%	2.15%
Total estimated issue expenses	41.00	100.00%	12.61%

- 1) The SCSBs and other intermediaries 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 by them
- 2) The SCSBs would be entitled to processing fees of ₹ 25 per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.



- 3) *Further the SCSBs and other intermediaries will be entitled to selling commission of 0.05% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.*
- 4) *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.*

Appraisal

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Monitoring Utilization of Funds

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

Year wise Deployment of Funds / Schedule of Implementation

The entire Fresh Issue size is proposed to be deployed in the Financial Year 2016 – 17.

Interim Use of Proceeds

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

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

Authority for the Issue:

The present issue has been authorized pursuant to a resolution of our Board dated September 05, 2016 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Annual General Meeting of our shareholders held on September 30, 2016.

Other Details

Face Value	The Equity Shares having a face value of ₹10 each are being offered in terms of this 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 Prospectus are being offered at a price of ₹ 20 each.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 6,000 (Six Thousand) and in multiples of 6,000 thereafter; subject to a minimum allotment of 6,000 Equity Shares to the successful applicants.
Terms of Payment	Applications should be for a minimum of 6,000 equity shares and in multiples of 6,000 equity shares thereafter. The entire price of the equity shares of ₹ 20 per share (₹ 10 face value + ₹ 10 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

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 we do 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, we shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after we become liable to pay the amount, we shall pay interest prescribed under section 40 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 ₹ 20 per Equity Shares and is 2.00 times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on page nos. 9, 111 and 67 respectively, of this 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:

- ✓ Organized Management team backed by Experienced Promoters
- ✓ SME focussed services
- ✓ Multiple Business verticals under one roof
- ✓ Direct Selling Agency Method of business

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see “Our Business– Our Strengths” on page no. 68 of this 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	1.1073	3
2015	0.0034	2
2014	0.0017	1
Weighted Average	0.5551	

Basic and diluted EPS for the six months ended September 30, 2016 was ₹ 0.6772

Notes:

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

$$\text{Basic EPS} = \frac{\text{Net Profit / (Loss), as restated, attributable to Equity Shareholders}}{\text{Weighted Average No. of Equity Share outstanding during the year}}$$

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

$$\text{Diluted EPS} = \frac{\text{Net Profit / (Loss), as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted Average No. of Equity Shares outstanding during the year}}$$

- 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 ₹ 20 per share of ₹ 10 each

Particulars	P/E Ratios
P/E ratio based on basic and diluted EPS as at March 31, 2016	18.06
P/E ratio based on basic and diluted weighted average EPS as at March 31, 2016	36.03
Industry P/E*	
Highest – Bajaj Finserv Ltd	398.60
Lowest – Aroni Commercials Ltd	4.90
Industry Average	31.40

*Source: Capital Market, November 07- November 20, 2016, Segment-Finance & Investments

3) Return on Net Worth (RoNW)

Year ended March 31	RoNW (%)	Weight
2016	4.31%	3
2015	0.01%	2
2014	0.01%	1
Weighted Average	2.16%	

RoNW for the six months period ended September 30, 2016 was 3.01%

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

$$\text{RoNW} = \frac{\text{Net Profit / (Loss), as restated, attributable to Equity Shareholders}}{\text{Net Worth}}$$

4) Minimum Return on Net Worth (RoNW) after Issue needed to maintain the Pre-Issue Basic & diluted EPS (based on Restated Financials) at the Issue Price of ₹ 20 is 3.20%.

5) Net Asset Value (NAV)

Financial Year	NAV (in ₹)
NAV as at September 30, 2016 ⁽¹⁾	28.10
NAV as at March 31, 2016	27.26
NAV after Issue	21.14
Issue Price	20.00

⁽¹⁾ The company had allotted 2,75,234 bonus shares on October 25, 2016 in the ratio of 1 new fully paid up equity shares of ₹ 10 each for every 4 equity shares held. Hence the pre issue NAV as on September 30, 2016 should be read as ₹ 22.48 per share after adjusting for this post fact event.

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

$$\text{NAV} = \frac{\text{Net Worth}}{\text{Outstanding No. of Equity Shares at the end of the year}}$$

6) Comparison with Industry peers

Particulars	F.Y. 2015-16					Source
	Face Value (₹)	Basic EPS (₹)	P/E Ratio	RONW (%)	NAV (₹)	
Capri Global Capital Limited	10	11.76	11.08	3.79%	310.05	Company Annual Returns
Pioneer Investcorp Limited	10	1.69	10.21	2.01%	79.85	
IFL Enterprises Limited	10	1.11	18.06	4.31%	27.26	Restated Financials

Note:

⁽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 Prospectus / EPS



The Company in consultation with the Lead Manager believes that the issue price of ₹ 20 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 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 2.00 times of the face value i.e. ₹ 20 per share.



STATEMENT OF TAX BENEFITS

To

The Board of Directors,
IFL Enterprises Limited,
D-16, 1st Floor,
Prashant Vihar, Sector-14,
Rohini, New Delhi- 11008.

Dear Sir,

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

We hereby confirm that the enclosed annexure, prepared by the Management of **IFL Enterprises Limited** ('the Company'), states the possible Tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his / her / its own tax consultant, with respect to the tax implications arising out of his / her / its' participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws. The same shall be subject to notes annexed.

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 **IFL Enterprises Limited** for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

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

O. P. Pareek
Partner
Membership No: 014238

Place: New Delhi
Date: November 15, 2016



ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO IFL ENTERPRISES LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2016-17.

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any Special Tax Benefits under the Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any Special Tax Benefits under the Act.

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

O. P. Pareek
Partner
Membership No: 014238

Place: New Delhi
Date: November 15, 2016



SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

OVERVIEW OF THE GLOBAL AND INDIAN ECONOMY

Global Scenario

The US economy slowed in the first half of 2016, despite the higher than expected upturn in Q2. The impetus from private consumption, non-residential fixed investment and exports was offset by drops in inventory accumulation, residential fixed investment and government spending. Investment in Q2 declined for three consecutive quarters as companies cut back spending on oil wells, equipment and inventories. In Q3, factory activity contracted for the first time in six months in August amidst slumping orders and production.

In the Euro area, growth decelerated from Q1 to Q2, both sequentially and y-o-y. Net exports and consumer spending supported growth, but fixed investment and inventories operated as drags. Industrial production contracted in July. The re-emergence of stress in some parts of the banking sector in Q3 tightened financial conditions. However, economic sentiment improved in September in its major economies. The Japanese economy decelerated in Q2 after a modest improvement in Q1, as weak domestic consumption and sluggish external demand prompted companies to cut capital spending. In the UK, economic growth was stronger in Q2 than Q1, even as industrial growth was partly offset by a fall in construction activity.

(Source: Monetary Policy Report, issued by RBI in October, 2016)

The table below shows the real GDP growth (Q-o-Q, annulised %)

	2015: Q2	2015: Q3	2015: Q4	2016: Q1	2016: Q2	2016 (P)	2017 (P)
Advanced Economies (AEs)							
US	2.6	2.0	0.9	0.8	1.4	2.2	2.5
Euro Area	1.6	1.2	1.6	2.4	1.2	1.6	1.4
Japan	-1.9	2.1	-1.7	2.1	0.7	0.3	0.1
UK	2.0	1.2	2.8	1.6	2.8	1.7	1.3
Canada	-0.5	2.2	0.5	2.5	-1.6	1.4	2.1
Emerging Market Economies (EMEs)							
China	7.2	7.2	6.0	4.8	7.2	6.6	6.2
Brazil	-9.1	-6.2	-5.1	-1.7	-2.2	-3.3	0.5
Russia*	-4.5	-3.7	-3.8	-1.2	-0.6	-1.2	1.0
South Africa	-2.0	0.3	0.4	-1.2	3.3	0.1	1.0
Korea	1.6	4.8	2.8	2.0	3.2	2.7	2.9
Thailand	2.1	3.6	3.4	4.0	3.2	3.0	3.2
Malaysia	3.6	3.6	4.8	4.0	2.8	4.4	4.8
Mexico	3.3	2.8	1.8	2.0	-0.7	2.5	2.6
Saudi Arabia**	-4.7	2.1	5.9	2.8	-	1.2	2.0
<i>Memo</i>					2015	2016 (P)	2017 (P)
World Output					3.1	3.1	3.4
World Trade Volume					2.7	1.7	1.8 - 3.1

(Source: Monetary Policy Report, issued by RBI in October, 2016)

After a lacklustre outturn in 2016, economic activity is projected to pick up pace in 2017 and 2018, especially in emerging market and developing economies. However, there is a wide dispersion of possible outcomes around the projections, given uncertainty surrounding the policy stance of the incoming U.S. administration and its global ramifications. Global output growth is estimated at about 3 percent (at an annualized rate) for the third quarter of 2016—broadly unchanged relative to the first two quarters of the year. This stable average growth rate, however, masks divergent developments in different country groups. There has been a stronger-than-expected pickup in growth in advanced economies, due mostly to a reduced drag from inventories and some recovery in manufacturing output. In

contrast, it is matched by an unexpected slowdown in some emerging market economies, mostly reflecting idiosyncratic factors. Forward-looking indicators such as purchasing managers' indices have remained strong in the fourth quarter in most areas.

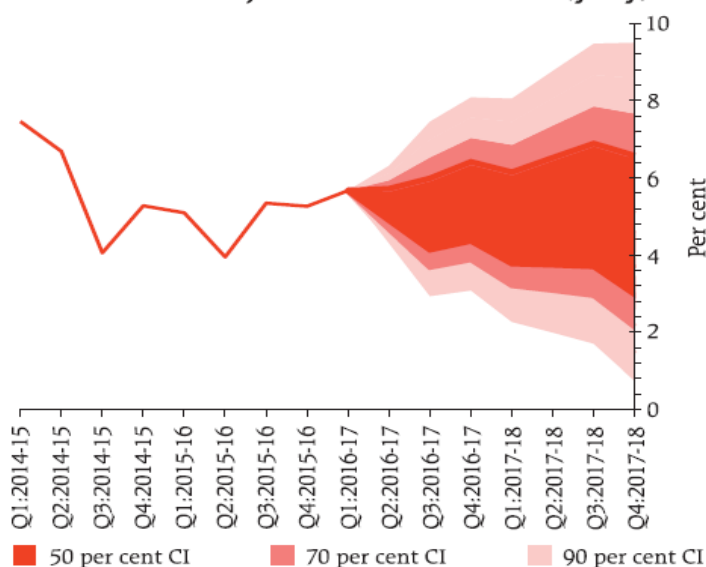
The primary factor underlying the strengthening global outlook over 2017–18 is, however, the projected pickup in EMDEs' growth. As discussed in the October WEO, this projection reflects to an important extent a gradual normalization of conditions in a number of large economies that are currently experiencing macroeconomic strains. EMDE growth is currently estimated at 4.1 percent in 2016, and is projected to reach 4.5 percent for 2017, around 0.1 percentage point weaker than the October forecast. A further pickup in growth to 4.8 percent is projected for 2018. (Source: World Economic Outlook Update, IMF, January 2017)

Indian Scenario

Daily price collections of sensitive items under pulses, fruits, vegetables and cereals suggest that the seasonal surge in food prices may have peaked in July. Subdued momentum in food inflation in Q3 and the usual seasonal softening of food prices in early Q4, notwithstanding a reversal of base effects in March 2017, improves the near-term outlook for inflation considerably. Commodity prices are expected to remain quiescent over the rest of the year.

Staff's baseline model forecasts, taking into account the revisions in assumptions on initial conditions and augmented by information yielded by these forward looking surveys of various classes of economic agents as well as from lead indicators, set a trajectory that takes consumer price index (CPI) inflation down from 5.7 per cent in Q1 of 2016-17 to 5.0 per cent in Q3 before it firms up moderately to 5.3 per cent in Q4 (the 70 per cent confidence interval lies in a range of 3.9-7.0 per cent).

Chart I.6: Projection of CPI Inflation (y-o-y)



(Source: Monetary Policy Report, issued by RBI in October, 2016)

The depressed private investment climate amidst subdued capacity utilisation and corporate balance sheet deleveraging; depressed global output and trade growth dragging down net exports were some of the key downside risks that could impinge upon the path of growth in 2016-17 highlighted by RBI in its Monetary Policy of April 2016.

While private investment activity remains sluggish, corporate business expectations remain upbeat in the Reserve Bank's industrial outlook survey on improving prospects for production, capacity utilisation, employment and the availability of finance. This positive sentiment was also reflected in business confidence surveys conducted by other institutions. Over the medium-term, the implementation of the GST should boost business confidence and investment, brightening the environment for an acceleration of growth. Other initiatives such as steps to attract foreign direct investment in defence, civil aviation, pharmaceuticals and broadcasting, measures to improve infrastructure, and the enactment of the Insolvency and Bankruptcy Code and the Real Estate (Regulation and Development) Act should also contribute to unlocking entrepreneurial energies and growth impulses.

The real GVA growth to improve from 7.3 per cent in 2016-17:Q1 to 7.6 per cent each in the remaining three quarters of 2016-17 on account of better agricultural prospects. For 2017-18, assuming a normal monsoon, fiscal consolidation in line with the announced trajectory and no major exogenous/policy shock(s), structural model estimates and off-model adjustments, real GVA growth of 7.9 per cent is expected but with downside risks mainly due to lower global demand vis-à-vis the April 2016.

Fabrics and Textile Industry

Global Scenario

After having witnessed bumpy growth in 2016, global textiles industry is upbeat about a fresh innings in 2017. While challenges are still surmounting, some upcoming trends give head start.

Stable cotton prices

Irrespective of the trouble times, Cotton Incorporated senior economist Jon Devine predicts the future is positive as far as cotton prices are concerned. With only get one harvest per year it means the industry is dependent in summer months only on what is available at that time. This summer some tightness in terms of warehouses, particularly in India, which led to a cotton price increase not only in India but internationally.

Thankfully, the upcoming harvest in the world's major cotton-producing countries hasn't been affected by any extreme weather conditions. Pakistan is expected to have a good crop, India should produce about the same as last year and the US is anticipating a 25 per cent boost, all of which should help ease prices globally.

US presidential elections and related uncertainties

With presidential debate heating up in the US, Jing Wang, Senior Research Associate, Fung Global Retail & Technology, feels fluctuations will continue to impact the cost of goods in 2017. But Cloth source chief Mike Flanagan betted Republican presidential candidate Donald Trump will influence currency markets more than China's yuan. It's possible America might have a president who has got a genuinely revolutionary and quite extraordinary ambition for what he wants to do in the US Flanagan feels. This could influence the currency markets and interest rate markets substantially, exactly what was seen in Britain after Brexit decision on June 23 and all hell breaks loose. But as a matter of fact, US has high influence on world trade than Britain, so far sometime we can park that worry aside.

Tightening retail margins

Experts say margins are being squeezed in every single direction—currency uncertainty, cost of production has increased, e-commerce and consumers being price savvy, demanding cost effectiveness that retailers really have to deliver. The feeling is retailers need to take a leaf out of Zara's book and train people to purchase at full price, rather than wait for semi-annual sales or embrace trends that optimise margin, like soft-cup bralettes that are cheaper to manufacture than other intimate apparel.

Promotions and there affects

Though for consumers, it's always a delight but it puts heavy pressure on retailers' margin. Experts say not only will retailers be competing on price and discounts but also on novelty. Whether that novelty is going to be games or activities or experience-driven, anything that will engage the customer, that's where the promotion battlefield will be.

Brexit's impact

Most countries and companies are unclear about the kind of impact Brexit may have. It might take close to 24-30 months for full realisation. Experts say Britain is now Europe's largest importer of apparels. So the country will likely form free trade agreements with major manufacturing nations. But that process can't begin until the UK leaves, which won't happen until at least 2019.

(Source: <http://www.fashioningworld.com/new1-2/item/7254-global-textile-trends-2017-what-will-influence-industry.html>)



Indian Scenario

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

The textile industry employs about 40 million workers and 60 million indirectly. India's overall textile exports during FY 2015-16 stood at US\$ 40 billion.

The Indian textiles industry is extremely varied, with the hand-spun and handwoven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralized power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Market Size

The Indian textiles industry, currently estimated at around US\$ 108 billion, is expected to reach US\$ 223 billion by 2021. The industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 5 per cent to India's Gross Domestic Product (GDP), and 14 per cent to overall Index of Industrial Production (IIP).

The Indian textile industry has the potential to reach US\$ 500 billion in size according to a study by Wazir Advisors and PCI Xylenes & Polyester. The growth implies domestic sales to rise to US\$ 315 billion from currently US\$ 68 billion. At the same time, exports are implied to increase to US\$ 185 billion from approximately US\$ 41 billion currently.

Investments

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 1.85 billion during April 2000 to March 2016.

Some of the major investments in the Indian textiles industry are as follows:

- Trident Group, one of the leading manufacturers and exporters of terry towel, home textile, yarn and paper in India, has entered into a partnership with French firm Lagardere Active Group, to launch a premium range of home textiles under the renowned French lifestyle brand Elle Décor in India.
- Raymond Group has signed a Memorandum of Understanding (MoU) with Maharashtra government for setting up a textile manufacturing plant with an investment of ₹ 1,400 crore (US\$ 208.76 million) in Maharashtra's Amravati district.
- Reliance Industries Ltd (RIL) plans to enter into a joint venture (JV) with China-based Shandong Ruyi Science and Technology Group Co. The JV will leverage RIL's existing textile business and distribution network in India and Ruyi's state-of-the-art technology and its global reach.
- Giving Indian sarees a 'green' touch, Dupont has joined hands with RIL and Vipul Sarees for use of its renewable fibre product Sorona to make an 'environment-friendly' version of this ethnic ladies wear.
- Snapdeal has partnered with India Post to jointly work on bringing thousands of weavers and artisans from Varanasi through its website. "This is an endeavour by Snapdeal and India Post to empower local artisans, small and medium entrepreneurs to sustain their livelihood by providing a platform to popularise their indigenous products," said Mr Kunal Bahl, CEO and Co-Founder, Snapdeal.

- Welspun India Ltd (WIL), part of the Welspun Group has unveiled its new spinning facility at Anjar, Gujarat - the largest under one roof in India. The expansion project reflects the ethos of the Government of Gujarat's recent 'Farm-Factory-Fabric-Fashion-Foreign' Textile Policy, which is aimed at strengthening the entire textile value-chain.

Government Initiatives

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Some of initiatives taken by the government to further promote the industry are as under:

- India's first integrated textiles city, which will largely cater to the export market and build a brand for Indian textiles abroad, is likely to be set up in the state of Andhra Pradesh.
- The Clothing Manufacturers' Association of India (CMAI) has signed a memorandum of understanding (MOU) with China Chamber of Commerce for Import and Export of Textiles (CCCT) to explore potential areas of mutual co-operation for increasing apparel exports from India.
- The Department of Handlooms and Textiles, Government of India, has tied up with nine e-commerce players and 70 retailers to increase the reach of handlooms products in the Indian market, which will generate better prices and continuous business, besides facilitating direct access to markets and consumers for weavers.
- The Union Ministry of Textiles, which has set a target of doubling textile exports in 10 years, plans to enter into bilateral agreements with Africa and Australia along with working on a new textile policy to promote value addition, apart from finalising guidelines for the revised Textile Upgradation Fund Scheme (TUFS).
- The Government of India has started promotion of its 'India Handloom' initiative on social media like Facebook, Twitter and Instagram with a view to connect with customers, especially youth, in order to promote high quality handloom products.
- Subsidies on machinery and infrastructure
 - The Revised Restructured Technology Up gradation Fund Scheme (RRTUFS) covers manufacturing of major machinery for technical textiles for 5 per cent interest reimbursement and 10 per cent capital subsidy in addition to 5 per cent interest reimbursement also provided to the specified technical textile machinery under RRTUFS.
 - Under the Scheme for Integrated Textile Parks (SITP), the Government of India provides assistance for creation of infrastructure in the parks to the extent of 40 per cent with a limit up to ₹ 40 crore (US\$ 6 million). Under this scheme the technical textile units can also avail its benefits.
 - The major machinery for production of technical textiles receives a concessional customs duty list of 5 per cent.
 - Specified technical textile products are covered under Focus Product Scheme. Under this scheme, exports of these products are entitled for duty credit scrip equivalent to 2 per cent of freight on board (FOB) value of exports
- The Government of India has implemented several export promotion measures such as Focus Market Scheme, Focus Product Scheme and Market Linked Focus Product Scheme for increasing share of India's textile exports.
- Under the Market Access Initiative (MAI) Scheme, financial assistance is provided for export promotion activities on focus countries and focus product countries.
- Under the Market Development Assistance (MDA) Scheme, financial assistance is provided for a range of export promotion activities implemented by Textiles Export Promotion Councils.



- The government has also proposed to extend 24/7 customs clearance facility at 13 airports and 14 sea ports resulting in faster clearance of import and export cargo.
- The Ministry of Textiles has approved a 'Scheme for promoting usage of geotechnical textiles in North East Region (NER)' in order to capitalise on the benefits of geotechnical textiles. The scheme has been approved with a financial outlay of ₹ 427 crore (US\$ 63.67 million) for five years from 2014-15.

Road Ahead

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The organised apparel segment is expected to grow at a Compound Annual Growth Rate (CAGR) of more than 13 per cent over a 10-year period.

Exchange Rate Used: INR 1 = US\$ 0.0149 as on September 21, 2016.

(Source: <http://www.ibef.org/industry/textiles.aspx>)

DEBT SYNDICATION INDUSTRY

Global Scenario

Global Deals Intelligence

Global Syndicated Lending Down 14% From 2015

Global syndicated lending reached US\$2.9 trillion during the first nine months of 2016, down 14% compared to the first nine months of 2015 and the slowest opening period for global lending since 2012. Third quarter 2016 lending totaled US\$823.4 billion, a 33% decrease compared to the second quarter of this year and the slowest quarter for global loans since the third quarter of 2012.

Acquisition Financing Hits US\$660 Billion

Acquisition financings totaled US\$660 billion during the first nine months of 2016, accounting for 23% of global syndicated lending and a decline of 12% compared to a year ago. Five of the top 10 financings closed during the first nine months of 2016 were related to acquisitions. The third quarter's largest loan was a US\$14 billion financing package for Avago Technologies, used for general corporate purposes and refinancing.

Americas Lending Accounts For 57% of Activity

Americas loans accounted for 57% of global loan volume during the first nine months of 2016, as lending in the region declined 14% compared to same period last year. Within the Americas, loan volume in the United States totaled US\$1.5 trillion, down 13% compared to the same period last year and representing 52% of global volume. Europe accounted for 19% of global volumes as lending decreased by 23% compared to the first nine months of 2015. Asia Pacific fundraising saw a year-over-year decrease of 13%, while Japanese lending increased 60% compared to 2015.

Energy & Power, Industrials & Financials Lead Lending

Borrowing in the Energy & Power sector totaled US\$493.7 billion during the first nine months of 2016, accounting for 17% of global loan activity, down 19% compared to lending in the sector a year ago. Technology lending saw the largest year-over-year percentage increases, up 32% compared to a year ago while Telecom lending declined 33% compared to 2015 levels. Energy & Power, Industrials and Financials together accounted for 46% of syndicated loan volume during the first nine months of 2016, compared to 47% a year ago.

Bank of America Merrill Lynch Tops Book runner Rankings

Bank of America Merrill Lynch secured the top ranking for global book runners, by proceeds, with US\$234.7 billion from 845 transactions during the first nine months of 2016, an increase of 0.8 market share points compared to a year

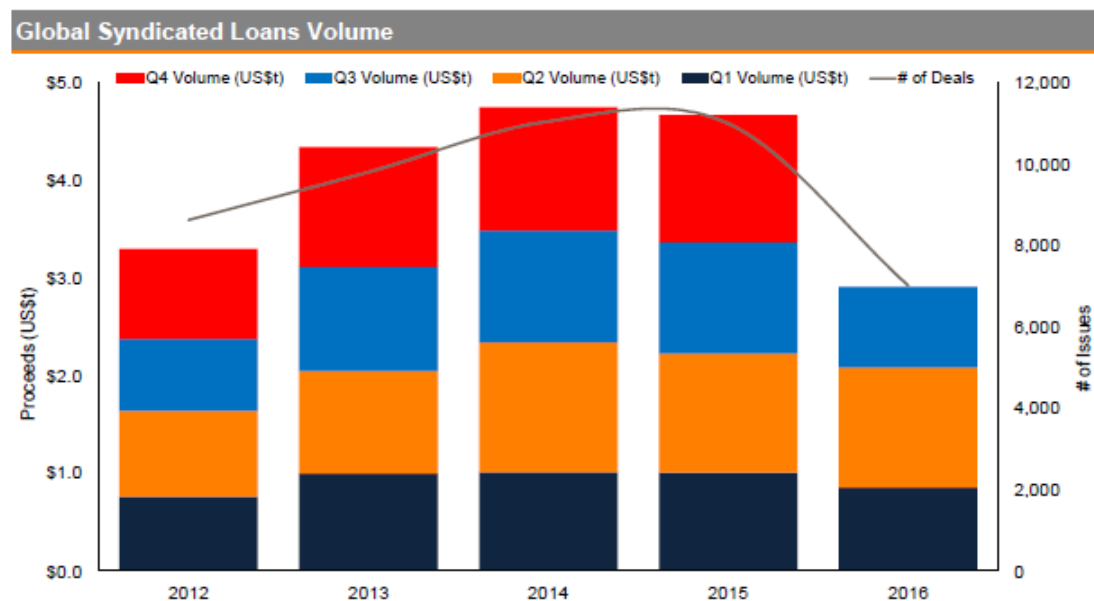


ago. JP Morgan maintained second place, with US\$215.6 billion or 8.4% of overall loan proceeds during the first nine months of 2016, an increase of 0.6 market share points from a year ago.

Syndicated Lending Fees Down 18%

According to Thomson Reuters/Freeman Consulting, book running fees from global syndicated loans totaled US\$10.5 billion during the first nine months of 2016, a decrease of 18% from last year. Fees from leveraged lending decreased 16% compared to a year ago and accounted for 70% of all lending fees during the first nine months of 2016.

Global Debt & Syndicated Loans (DL1)						Jan 1 - Sep 30					
Mandated Arrangers	Proceeds per Mandated Arranger (US\$m)					# of Deals per MA			Imputed Fees (US\$m)		
	2016 Rank	2015 Rank	Proceeds	Market Share%	Market Share Ch.	# of Deals	Market Share%	Change in # of Deals	Manager Fees	Market Share %	Market Share Ch.
JP Morgan	1	1	564,780.8	7.0	0.5 ▲	2013	9.3	88 ▲	1,953.4	6.8	0.7 ▲
Bank of America Merrill Lynch	2	2	533,662.8	6.6	0.5 ▲	2002	9.2	42 ▲	2,079.9	7.3	0.1 ▲
Citi	3	3	465,375.8	5.7	0.3 ▲	1574	7.3	78 ▲	1,688.1	5.8	-0.1 ▼
Barclays	4	4	361,071.7	4.5	0.7 ▲	1202	5.5	-96 ▼	1,318.1	4.6	0.1 ▲
Wells Fargo & Co	5	5	307,991.2	3.8	0.3 ▲	1453	6.7	-95 ▼	1,134.8	4.0	0.1 ▲
Deutsche Bank	6	6	297,501.2	3.7	0.9 ▲	1115	5.1	-220 ▼	1,235.2	4.3	1.0 ▲
HSBC Holdings PLC	7	7	289,769.8	3.6	0.3 ▲	1200	5.5	-90 ▼	788.3	2.8	0.0 -
Goldman Sachs & Co	8	8	275,353.1	3.4	0.3 ▲	884	4.1	29 ▲	1,178.7	4.1	0.5 ▲
Morgan Stanley	9	9	241,461.1	3.0	0.7 ▲	1071	4.9	-29 ▼	1,054.7	3.7	0.7 ▲
Mizuho Financial Group	10	10	234,105.6	2.9	-0.6 ▼	1204	5.6	117 ▲	735.2	2.6	-0.7 ▼
Top Ten Total			3,571,073.1	44.2	3.9 ▲				13,146.4	46.0	2.4 ▲
Industry Total			8,100,574.6	100.0		21,687		1898	28,672.0	100.0	
Industry % Change from Same Period Last Year			11.2% ▲				9.6% ▲		-2.7% ▼		
Industry % Change from Last Quarter			-19.6% ▼				-11.7% ▼		-9.7% ▼		

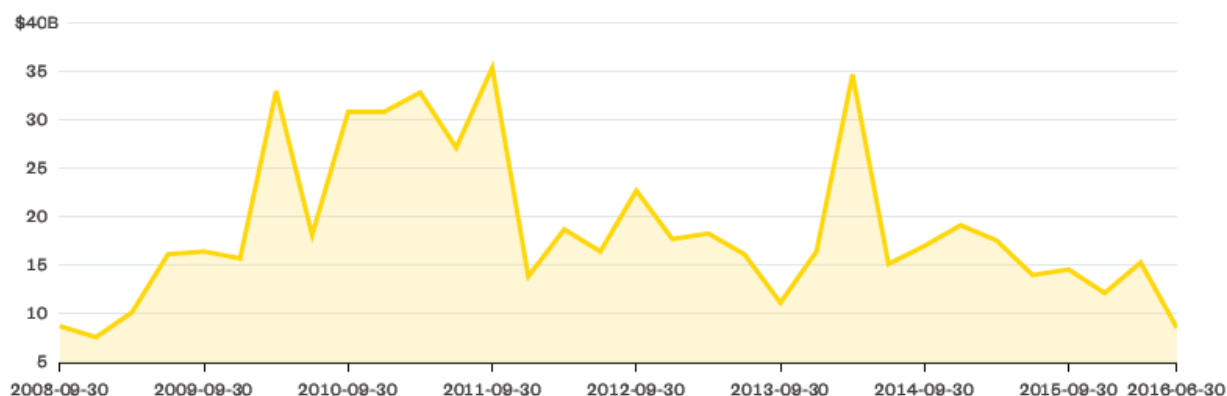


(Source: http://share.thomsonreuters.com/general/PR/Loan_3Q_2016_E.pdf)

Indian Scenario

There has been a 44 percent drop as compared to the previous three months, with the amount of loans syndicated involving Indian borrowers in the second quarter was slightly more than \$8.6 billion. Out of the total loans syndicated about \$1.5 billion was raised by banks and FIs such as State Bank of India, Axis Bank, HDFC Bank and Housing Development Finance to replenish their firepower, and another \$1.15 billion for ONGC Videsh, the overseas arm of the state-owned energy explorer ONGC. Apart from a clutch of borrowings by toll-road companies and some fund-raising by oil refineries, there was hardly any borrowing linked to industrial activity at home. The financing drought hasn't been this bad since the 2008 financial crisis.

India's syndicated loan market all but dried up in the June quarter



Source: Bloomberg data

Data from the central bank also suggest that credit demand has almost collapsed, and that banks are merely parking deposits in government securities. That's hardly what one would expect in an economy supposedly expanding at a 7.6 percent pace, according to official estimates. This means that the outgoing governor of the Reserve Bank of India, will be under tremendous pressure to cut interest rates. But it's unlikely a couple of quarter-percentage-point reductions will help much, except perhaps to lure some more home buyers into the market.

The overarching theme for Indian companies for the rest of this year -- and possibly well into 2017 -- will be deleveraging. That's entirely rational, considering how overextended they are. DLF, the country's largest builder by market value, wants to become debt-free. In March, its total borrowings of \$3.7 billion were large enough to eat up almost eight years of earnings before interest and tax.

Further, Crisil, a rating company, expects Indian telcos to spend almost \$15 billion buying spectrum from the government in planned auctions. If they do so, theirs will be a protective move ahead of the launch of fourth-generation mobile services by billionaire Mukesh Ambani's Reliance Jio.

Any borrowing to write checks to the government would be a flash in the pan, though. For all the hype around Prime Minister Narendra Modi's "Make in India" initiative, Indian companies are waiting to see demand revive before they break ground on factories and showrooms. With everybody waiting, the wait for the economy is only going to get longer.

(Source: <https://www.bloomberg.com/gadfly/articles/2016-07-06/india-s-loan-market-says-it-s-2008>)

Growth in Retail Debt of NBFCs

Retail credit of non-banking finance companies (NBFCs) stood at ₹ 5.0 trillion as on March 31, 2016 registering an annual growth of about 19.9% against 14.8% in FY2015 and 9.8% in FY2014. The higher growth compared to FY2015 was largely on account of growth witnessed in the microfinance and, a revival of credit growth in new commercial vehicle (CV, 9% in FY2016) and some improvement in the passenger vehicle (PV) segment given the improving prospects of the transport operators. Growth in the mortgage segment continued to remain healthy at about 27% during FY2016 notwithstanding the moderation from about 35% growth witnessed in FY2014 and FY2015, while used CV segment grew by about 18%. Credit growth in the tractor segment witnessed a sharp drop following healthy growth in FY2014 and FY2015, on account of weak monsoons and moderation in rural demand. ICRA expects credit off-take in the Construction Equipment (CE) segment to pick up only gradually in FY2017 when the steps initiated by Government of India (GoI) to boost infrastructure activity come to fruition. Overall, in FY2017, ICRA expects NBFC retail credit to grow by 19-22% buoyed by improving prospects of the CV and other key retail asset classes, and with the general improvement in operating environment.

The share of NBFCs in overall retail credit increased slightly to 18.6% as on March 31, 2016 as compared to about 18.1% as on March 31, 2014. The share is likely to witness some moderation following the conversion of some NBFC-MFIs to Small Finance Banks (~4.0-4.5% of the NBFC credit) in the current financial year. ICRA however notes that banks (which account for ~55.9% of industry retail credit) are also increasing their focus on retail segments, given the



pressures on their corporate credit exposures, and had expanded their retail book by 19.4% in FY2016 as against 15.5% in FY2015 and 14.6% in FY2014. ICRA expects competitive pressures for retail focussed NBFCs to intensify.

NBFCs' 90+ day delinquencies (excluding MFIs) have moderated to 5.4% as on March 31, 2016 as compared to a stable level of 5.7-5.8%, which was witnessed over the previous 2-3 quarters. Improvement was observed in the new CV, car and gold loan delinquencies; however delinquencies in the LAP segment continued to increase steadily. Other segments including used CV, CE, tractors and microfinance exhibited a largely stable or a marginal improvement in the last 1-2 quarters. Overall in FY2016, delinquency forward flows moderated; the above along with an expected improvement in operating environment in the current financial year, delinquencies are likely to reduce further.

The banking system remains the primary source of funding for retail-focussed NBFCs, accounting for close to 42% of the total resource profile as on March 31, 2016. The share however has come down from 45% as on March 31, 2014 as NBFCs have increased the proportion of incremental funding through debt market instruments (Non Convertible Debentures and Commercial Papers) given the softening in the debt market rates. The share of funding from long term debentures accounted for 34% of NBFC borrowings against 32% in March 2014, while the share of CP borrowings was 11% of total borrowings outstanding as in March 2016 as against 7% in March 2014. The share of securitisation /Assignments stood at about 8% in March 2016. Given the taxation related changes and widening of the investor base, ICRA expects some renewed interest in securitisation transactions going forward. Incremental cost of funds in Q4FY2016 witnessed some hardening post the imposition of prudential limits on investments by mutual funds; however the overall cost of funds in FY2016 was about 30-40 bps lower than in FY2015. In FY2017, NBFCs are likely to witness further moderation in cost of funds based on the current systemic rate trends.

Overall the capitalization levels of retail-focused NBFCs have remained at an adequate level with a net worth in relation to managed assets at ~15.4% as on March 31, 2016. The moderation in FY2016 after the uptrend in the previous 3 years could be attributed to the pick-up in credit growth while internal generation moderated. Although in FY2017 the credit growth could pickup to 19-22% and internal capital generation could drop to ~10%, ICRA expects overall net worth in relation to managed assets for retail focused NBFCs to remain adequate at around 15.0 %.

Return on average assets(excluding one-time gains and captive financiers) for retail NBFCs moderated to about 1.7% from 1.8% in FY2015 due higher credit/provision costs and increase in operating expenses, which to an extent offset the improvement in the interest spread (due to reduction in cost of funds). Going forward, ICRA expects NBFCs to witness some improvement in operating efficiencies, which to an extent would compensate for the expected increase in the credit costs as they move to tighter NPA recognition norms. However, ability to maintain a good interest spread in a competitive business environment would be critical for incremental profitability. RoA is expected to be about 1.6-1.7% for FY2017, while RoE is expected to be about 10.0-11.0%.

(Source: <http://www.icra.in/Files/ticker/SH-2016-Q3-1-ICRA-NBFC%20-%20Retail.pdf>)



OUR BUSINESS

OVERVIEW

About IFL Group

IFL Group is a well-established group of companies operating from Delhi and promoted by Mr. Mukesh Sharma and Mr. Gopal Bansal, both of whom are knowledgeable and experienced businessmen having over a decade of experience in Financing, Investing and Trading activities of all kind. Our group's flagship company is India Finsec Limited which is currently listed on BSE (Main Board) and is a RBI Registered NBFC having Balance Sheet size of ₹ 4,243.96 lakhs as on March 31, 2016.

About our Company

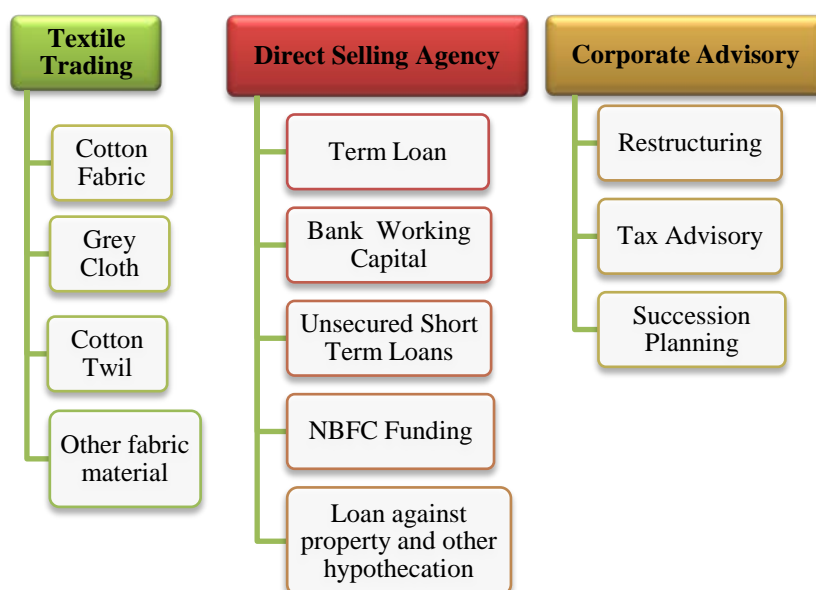
Our company was originally incorporated on January 23, 2009 as a private limited company under the provisions of Companies Act, 1956 as 'Sarhthak Suppliers Private Limited.' Subsequently, name of the company was altered to IFL Enterprises Private Limited on January 27, 2016. On February 18, 2016 our company was converted into a public company and is currently called 'IFL Enterprises Limited.'

Our company is a subsidiary of India Finsec Limited, and represents the other business activities of the group. We are engaged in the business of corporate advisory, debt syndication and execution services with paramount focus on small and medium enterprises (SMEs) in corporate and non-corporate sector. Further we are also involved in the business of trading in textile products primarily fabrics.

We have obtained Direct Selling Agency of PNB Housing Finance, Tata Capital Housing Finance Limited, and IDFC Bank. Further we are in process of obtaining DSA for ICICI Bank, Axis bank, IDBI Bank and India Bulls. Due to these DSAs and our strong network amongst the debt finance market; we mentor and help small and medium enterprises to raise banking and institutional finance. We believe that our domain knowledge of debt markets in India would further augment our ability to invest in securities, primarily bonds and other fixed income instruments and earn good risk adjusted returns.

Further we operate as a trader in textile products, primarily fabrics. We act as an intermediary between buyer and seller buying goods on cash basis and providing credit to cash-strapped businessmen in this field. We operate these businesses from our registered office at D-16, 1st Floor, Prashant Vihar, Sector-14, Rohini, New Delhi- 11008, Delhi.

The various business segments that we operate in are as follows:





Our Strengths

1. *Organized Management team backed by Experienced Promoters*

We have an efficient management team backed by our accomplished promoters who are having more than a decade of experience in the varied business segments. We believe that with a relevant experience of our management backed by the education and experience of our KMPs would provide us a competitive advantage as compared to other unorganized players in our business segments.

For further details regarding the experience and qualifications of our management and promoters, please see the chapters titled "*Our Management*" and "*Promoters, Promoter Group and Group Companies*" beginning on page nos. 85 and 96 of this Prospectus respectively.

2. *SME focussed services*

Our company is engaged in the business of providing financial intermediary services to suit the needs of small and medium enterprises. We aim at furnishing solutions to difficulties faced by SMEs and in turn gain their trust and loyalty to extend our business. Recommendations of clients by SMEs help us increase our client base and give us opportunities to extend our business operations. SME's being the focal point of our business, maintaining good relations with them and retaining them is of utmost importance to us. Our focus on SMEs would help in creating a niche for ourselves in the financial intermediary market in Delhi and other areas when we expand further.

3. *Multiple Business verticals under one roof*

Our company was operating as a trading company since 2009. In FY 15-16; we became a subsidiary of India Finsec Ltd. and the management of the company was changed with the appointment of Mr. Mukesh Sharma on July 06, 2015. The new management in its first financial year 15-16 decided to phase wise square-off all old trading business related transactions and inducted new activities into the "Main Objects" of the company. We began the Advisory and DSA related activities in FY 15-16 and thereafter in FY 16-17 we have also re-started the trading division from our network and taking forward the old synergies of the company. Being a well funded company; we would propose to continue to add risk adjusted profit making business verticals; which are allowed by our Memorandum. We believe that being a multi business verticals company we would provide benefits of diversification to our shareholders.

4. *Direct Selling Agency Method of business*

From the financial year 2015-16, we have been operating as a Debt Advisory Firm providing networking and execution facilities to clients wanting to raise debt funds. We have successfully syndicated/ advised transactions for our clients from large Banks and FIs such as ICICI bank, Syndicate bank, Indiabulls and IDBI Bank. Further we have recently begun the process of obtaining Direct Selling Agencies of Banks and FIs in order to improve our margins and ability to advice clients. Hence we have already obtained Direct Selling Agency for PNB Housing Finance Limited, Tata Capital Housing Finance Limited and IDFC Bank. Further we are in talks to improve our relations with other banks and FIs and obtain more such DSA. Even though till date, we have syndicated/ advised on loans outside our registered DSA matrix, once we complete the registration process of obtaining other DSA's with our banks/ FI's our margins in the business will improve as compared to other unregistered participants in the market. We believe that having a DSA portfolio helps lend credibility to our image amongst clients and banking circles and hence augment our capability to scale up our business operations.

Business Strategies

1. *Augment Equity size and create low debt balance sheet.*

Over the years our Company has diversified its business operations by adding different lines of operation. Due to expansion of our business activities in the recent past, the company has incurred certain indebtedness in the form of unsecured loans which our Company proposes to repay by raising funds from the issue. For further details regarding repayment of loans refer chapter "*Objects of the Issue*" beginning on page no. 48 of this Prospectus. Upon the repayment of the existing loan our Company shall be a no debt company, having adequate liquidity which will enable us to raise capital at attractive rates and also at favourable terms (if required) in the future.



2. Explore other verticals within the liquidity pressured trading circles of Delhi.

We have an efficient management team backed by our accomplished promoters who are having more than a decade of experience in conducting various business operations. Further our Company is a subsidiary India Finsec Limited which is currently listed on BSE (Main Board) and is a RBI Registered NBFC. Currently the trading circle of Delhi is liquidity pressured, which can be in turn an opportunity for our Company. Our Company through its textile trading business can provide flexible credit facilities to the liquidity pressured traders by buying the fabric required by them in bulk quantities from the suppliers and aid them with a steady supply and credit period, thus reducing the financial pressure on them. Being a subsidiary of India Finsec Limited which is a registered NBFC, our Company has the ability to determine/ assess the credibility of the various traders before providing them with the credit facility. Thus we believe that by having adequate liquidity and ability to assess the credibility, our Company will be able to explore other the trading segments of Delhi.

3. Create a niche by focussing on Small and Medium Enterprises (SMEs)

Aim of our company is to render financial intermediary services to Banks, Financial Institutions, NBFCs and other similar organizations keeping small and medium enterprises as its focal point. Small and medium enterprises stand in need of long term financial assistance with lower risk to help them evolve as large corporate entities. Unlike banks and other financial institutions, we aim to support the diverse financing needs of SME's and in turn create a niche by focusing on Small and Medium Enterprises. *For further details regarding our bond market in India, please refer to "Industry Overview" beginning on page no. 58 of this Prospectus.*

4. Innovate and further create opportunities like DSA

We engage in the business of providing debt advisory services and are also in the Direct Agency services of large Banks and FIs such as PNB Housing Finance Limited, Tata Capital Housing Finance Limited and IDFC Bank. We are also in the process of obtaining Direct Agency services of ICICI Bank, Axis Bank, India bulls and IDBI Bank. We seek opportunities to diversify our business operations and enter into new lines of business. We plan to expand our business by creating innovative opportunities like DSA services. Till date we have only syndicated/ advised on loans outside our registered DSA matrix, however once we complete the registration process of obtaining other DSA's with our banks and FIs our margins in the business will improve.

DETAILS OF OUR BUSINESS

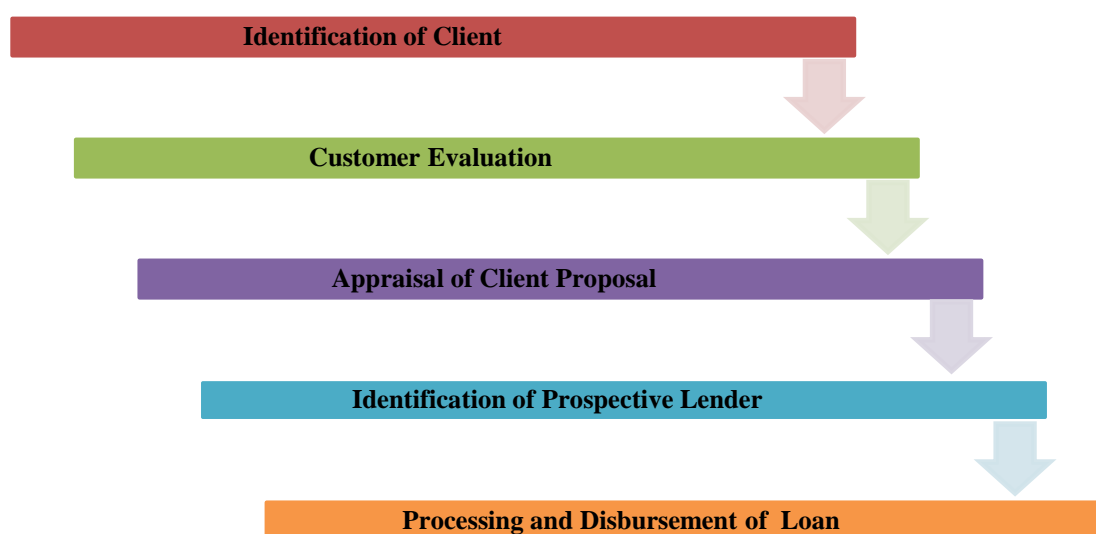
Location

The registered office of our company is located in National Capital Territory of Delhi. The address of our registered office is D-16, 1st Floor, Above ICIC Bank, Prashant Vihar, Sector-14, Rohini, New Delhi North West-110085. There are no branch offices of our company currently.

Our godown for operating trading businesses is situated at J-166, Vishnu Garden, New Delhi-110018.

Business Process

Our business process for DSA/Advisory activities can be summarized as follows:



1. Identification of Client

Client Applications- Some clients directly send their applications seeking financial assistance.

Direct Client Acquisition- We seek prospective clients by implementation of our marketing strategy and also through extensive search on the internet which is conducive to potential customers.

Reference of existing customers- Maintaining cordial relations with our clients enables us to sought clients through the reference of our existing clients.

2. Customer Evaluation

We undertake various cross checks and due diligence on a prospective customer before signing a deal. These include reference of clients from various sources like suppliers, employees, competitors etc., fraud verification, asset verification and valuation and other technical and legal verification procedures. Once the internal verification procedures conclude all documents submitted by the client are verified.

3. Appraisal of Client Proposal

After the document verification, Meetings are conducted wherein personal discussions are done with clients in order to procure information about their debt requirements. Also, through such discussions are conducted to acquire information about their business model and business risks which might affect the repayment capacity of the client. On the determination of the feasibility of the client proposal, an information memorandum is prepared to be presented to the appropriate lender.

4. Identification of Prospective Lender

Prospective lenders are identified based on various parameters like the nature of loan, size of loan, time frame, etc. We have entered and are in the process of entering into arrangements with various banks. Depending upon the parameters we approach these banks and help our clients acquire the best deal. Brief detail of our client and the loan applied for is sent to the prospective lender. Thereafter, meetings are conducted with them to negotiate the details of the proposed transaction. We assist the client with the terms and any queries pertaining to the transaction. If both the client and the lender are content with the terms and conditions of the transaction, an agreement is signed.

5. Processing and Disbursement of Loan

Assistance is rendered to the client in submission of required information and documents with the lender. We help the client is complying with the terms of the agreement till the loan is disbursed to the client.

6. Relationship Management

Relationship with Lenders/ Investors- Maintaining relationship with our lenders is a critical aspect of our business. We ensure communication with our clients through written communication or meetings. A good relationship with our lenders helps in speedy execution of proposals. We have entered into direct selling agent agreements with various clients. This works in our favour as it helps in quicker selection of a lender which leads to speedy execution of proposals of our clients.

Relationship with Corporate Clients- Small and Medium Enterprises are the focal point of our client base. Nurturing a strong relationship with our clients helps us build long term relationships with them which results in repeat business.




Trading business process



Our Company purchases textile material from established suppliers, and sells the same to other textile traders in Delhi. The advantage the traders get by purchasing goods from us is that they get adequate credit period. If these traders purchase directly from these established suppliers they will be required to pay the entire amount upfront which may cause financial pressure on them. Also the rate which our company is getting from these suppliers, the same may not be available for these traders, since we have been a regular customer to these companies, we purchase/ order in bulk quantities, and we get a lower credit period.

Further the textile material is delivered directly to the buyer/ traders by our suppliers and hence we do not have to incur expenses for transportation of the goods to the traders.

Details of our Products

Product Name	Product	Description
Cotton Fabrics		This type of fabric is used for different kinds of garments and apparels due to the following features: <ul style="list-style-type: none"> • Soft Texture • Appealing design • Attractive Appearance
Grey Cloth		This fabric is available in different attractive colors and mesmerizing pattern as per the diverse needs of our clients. This fabric is designed in accordance with the current market trends, by ensuring the usage of premium quality thread, with the aid of advanced techniques and modern machines.
Cotton Twill		Twill fabric is very durable, due to the way it is woven. It shows less dirt or wear and tear than fabrics with a flat texture or sheen. Twill fabrics also tend to be more wrinkle-resistant than others.



Details of our Service Offerings

A. Debt Syndication through DSA and other models

Our Company assists its clients in obtaining different types of loans such as term loans, working capital loans, unsecured short term loans, loan against property, etc from banks and financial institutions. Our Company being a Debt syndication and Debt Advisory service provider prepares various types of reports such as CMA, Information Memorandum, Business Plans, etc. Since our Company has obtained a DSA of various banks and financial institutions, our Company shall be able to help its clients in procuring their desired loans at attractive rates and terms, since till date we have only syndicated/ advised on loans outside our registered DSA matrix, however once we complete the registration process of obtaining other DSA's with our banks and FIs our margins in the business will improve and help us to serve our customers better.

B. Corporate Advisory

a) Restructuring

We render services in relation to restructuring which include amalgamation, reconstruction, demerger, re-organisation and winding up of companies. These include:

- Mergers, acquisitions and demergers
- Reduction of Share Capital
- Voluntary liquidation/liquidation and winding up of companies by court
- Procedural formalities in relation to issue of ESOP and ESOS
- Assisting listed companies to raise money from domestic markets through preferential issue

b) Tax Advisory

We work towards meeting the tax compliance and tax planning needs of our clients. We help them in effectively managing and optimising their taxes through sustainable tax strategies . We provide the following services:

- *Direct Tax*
 - a) Compliance Services
 - b) Litigation Services
 - c) Advisory Services
 - d) Support for M&A transactions
- *Indirect Tax*
 - a) Service Tax
 - b) Value Added Tax

c) Succession Planning

We provide services related to workforce requirements, which helps clients to ensure organizational stability and sustainability. Manpower being such an essential part of an organisation, we help our clients in securing qualified individuals who are competent to shoulder responsibilities. Requisite education and training is given to the recruited individuals so that they can contribute to the effective functioning of the organisation.

Our succession planning advisory services include:

- Family Re-organization
- Succession planning consulting
- Helping to establish efficient succession structures

In addition to the above two main business verticals of the company; we also our of our surplus funds indulge in making investments in securities of both listed and unlisted companies. Securities include shares, debentures, bonds, warrants, options, mutual funds, exchange traded funds, gold exchange traded funds or any other financial instruments in which we may invest through market, preferential, private allotments or such other routes.



We are in the business of debt related advisory arrangement and executioner services. The vast knowledge base of our business activities and experience of our promoters enables us to identify and explore various investment and trading opportunities.

COMPETITION

- **Textile trading business:** Textile being a large global industry we face competition from various domestic and international players. The industry is largely unorganized and fragmented with many small and medium-sized companies and entities. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

We believe that the principal factors affecting competition in our business include client relationships reputation, the abilities of employees, market focus and the liquidity on the balance sheet.

- **Service offering business:** We face competition from various other financial intermediaries operating in this segment. Further we also face competition from sales teams of Banks and FI who could approach clients directly. We believe that we operate in a highly competitive environment. Further we may also face competition from online portals and apps etc. which could provide similar services to clients in a much cheaper and effective manner.

We believe that relations are of key importance and hence we believe that our focus on delegating debt syndication services to Small and Medium Enterprises will enable us to generate future revenue and also open up possibilities for new businesses through cross references. This will enhance our ability to effectively compete with our competitors and create a niche for us in the market.

HUMAN RESOURCES

As on the date of this Prospectus, the company has 9 employees at our head office. The company has no contract labour.


Category	Number
Directors*	2
KMPs	6
Others	1
Total	9

* In addition to these directors our company has 3 non-executive directors who are payable sitting fees.

INSURANCE

The company has not taken any insurance cover at present. The Company will work towards taking insurance coverage to such amounts that will be sufficient to cover all normal risks associated with its operations.

INTELLECTUAL PROPERTY RIGHTS

Our company has filed an application dated 19th July, 2016 bearing no. 3313589 before the Trade Marks Registry for registration of its name and logo  under class 36. The application is pending for registration.

EXISTING CAPACITY AND CAPACITY UTILISATION

Capacity and Capacity Utilisation is not applicable to our company.

COLLABORATION/JOINT VENTURES

The company has no collaborations/joint venture agreement.

EXPORT AND EXPORT OBLIGATIONS

Our Company doesn't have any export obligations as of now as we are neither importing nor exporting any material.



PROPERTIES

Leasehold Properties

The details of Leasehold properties which we occupy for our business operation are as under

Location	Property	Name of Lessor	Rent	Deposit	Rent Period
D-16, 1st Floor, Prashant Vihar, Sector-14, Rohini, New Delhi- 110085 ⁽¹⁾	Registered Office	Gopal Bansal HUF and Sunita Bansal <i>Relationship with Promoter: Part of Promoter Group</i>	10,000/- per month	30,000/-	11 Months From 17.02.2017 to 16.01.2018 ⁽²⁾
J-166, Vishnu Garden, New Delhi- 110018	Godown	Subash Chander	10,000/- per month	-	11 Months (renewable with mutual consent)

⁽¹⁾These premises are being shared between us and our promoter – India Finsec Ltd., however, both the entities operate via separate rent agreements and pay rent separately.

⁽²⁾ Even though the rent agreement has been executed on 23.03.2016, the company has paid rent for a period of 6 months as on 31.03.2016

Freehold Property/Land

Our company does not hold any freehold property/land as on the date of this Prospectus.



KEY REGULATIONS AND POLICIES

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

A. INDUSTRY-SPECIFIC REGULATIONS

Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by banks

The Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by banks issued by the Reserve Bank of India lays down a framework for managing the risks in such outsourcing. The banks are required to formulate a Code of Conduct for Direct Sales Agents/ Direct Marketing Agents/ Recovery Agents governing their responsibilities and the Code of Conduct for Direct Sales Agents formulated by the Indian Banks Association could be used for formulating such Code of Conduct. Banks should ensure that Direct Sales Agents/ Direct Marketing Agents/ Recovery Agents are properly trained to handle with care and sensitivity their responsibilities viz. soliciting customers, hours of calling, terms of lending, terms and conditions of the products on offer etc. . The bank is also required to execute an outsourcing agreement with the service provider and the outsourcing agreement should inter-alia include clauses to recognise the right of the Reserve Bank of India to cause inspection to be made of the service provider of the bank and its books of account by one or more of its officers or employees or other persons.

B. LABOUR LAWS

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 provides for payment of gratuity to employees employed in factories, shops and other establishments who have put in a continuous service of 5 (five) years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of ‘five year continuous service’ is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 (fifteen) days’ wages for every completed year of service with the employer. Presently, an employer is obliged for a maximum gratuity payout of ₹ 10,00,000/- for an employee.

The Maternity Benefit Act, 1961

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or medical termination of pregnancy. It inter alia provides for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women.

Equal Remuneration Act, 1979

Equal Remuneration Act, 1979 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.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or 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 ₹ 50,000/-.

C. TAX RELATED LEGISLATIONS

Income-tax Act, 1961

The Income-tax Act, 1961 (“**IT Act**”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, and Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

Service Tax

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

D. OTHER REGULATIONS

The Delhi Shops and Establishments Act, 1954

The Company has its registered office at D -16, First Floor, above ICICI Bank, Prashant Vihar, Sector 14, Rohini, New Delhi – 110085, India and accordingly the provisions of Delhi Shops and Establishments Act, 1954 (“**S & E Act**”) are applicable to the Company. The said Act regulates the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 (“**T.P. Act.**”). The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter. The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

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

Sale: The transfer of ownership in property for a price, paid or promised to be paid.

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



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

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

Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

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

The Registration Act, 1908

The Registration Act, 1908 (“**Registration Act**”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

The Indian Stamp Act, 1899

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“**Stamp Act**”) which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty while the other states have adopted and amended the Stamp Act, as per the rates applicable in the state. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act.

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

The Indian Contract Act, 1872

The Indian Contract Act, 1872 (“**Contract Act**”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

The Specific Relief Act, 1963

The Specific Relief Act, 1963 (“**Specific Relief Act**”) is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Specific Relief Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.



Consumer Protection Act, 1986

The Consumer Protection Act, 1986 seeks to provide better protection of interests of the consumers and for that purpose to make provision for establishment of consumer councils and other authorities for the settlement of consumer's disputes and for matters connected therewith. It seeks to promote and protect the rights of consumers.

To provide steady and simple redressal to consumers' disputes, a quasi-judicial machinery is sought to be set up at the district, state and central levels. The quasi-judicial bodies will observe the principles of natural justices and have been empowered to give relieves of a specific nature and to award wherever appropriate compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

Competition Act, 2002

The Competition Act, 2002 ("**Competition Act**") aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India ("**Competition Commission**") which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations.

The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

The Companies Act, 1956

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

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Trademarks Act, 1999

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

E. REGULATIONS REGARDING FOREIGN INVESTMENT

Foreign Exchange Management Act, 1999 (“FEMA”)

Foreign investment in companies in the textile trading and financial services industry is governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry has issued ‘Consolidated FDI Policy Circular 1 of 2016’ (“FDI Policy”) which consolidates the policy framework on Foreign Direct Investment (“FDI”), with effect from June 7, 2016. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till June 6, 2016. All the press notes, press releases, clarifications on FDI issued by DIPP till June 6, 2016 stand rescinded as on June 7, 2016.

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

Textile Trading

The FDI Policy effective from June 7, 2016 issued by the DIPP permits foreign investment upto 100% in the Cash and Carry Wholesale Trading/ Wholesale Trading (“WT”) sector under the automatic route.

Cash & Carry Wholesale trading/Wholesale trading, would mean sale of goods/merchandise to retailers, industrial, commercial, institutional or other professional business users or to other wholesalers and related subordinated service providers. Wholesale trading would, accordingly, imply sales for the purpose of trade, business and profession, as opposed to sales for the purpose of personal consumption. The yardstick to determine whether the sale is wholesale or not would be the type of customers to whom the sale is made and not the size and volume of sales. Wholesale trading would include resale, processing and thereafter sale, bulk imports with ex-port/ex bonded warehouse business sales and B2B e-Commerce.

Further, Cash & Carry Wholesale Trading/Wholesale Trading is subject to the following conditions:

- (a) For undertaking WT, requisite licenses/registration/ permits, as specified under the relevant Acts/Regulations/Rules/Orders of the State Government/Government Body/Government Authority/Local Self-Government Body under that State Government should be obtained.
- (b) Except in case of sales to Government, sales made by the wholesaler would be considered as ‘cash & carry wholesale trading/wholesale trading’ with valid business customers, only when WT are made to the following entities:
 - i. Entities holding sales tax/ VAT registration/service tax/excise duty registration; or
 - ii. Entities holding trade licenses i.e. a license/registration certificate/membership certificate/registration under Shops and Establishment Act, issued by a Government Authority/Government Body/Local Self-Government Authority, reflecting that the entity/person holding the license/ registration certificate/ membership certificate, as the case may be, is itself/ himself/herself engaged in a business involving commercial activity; or
 - iii. Entities holding permits/license etc. for undertaking retail trade (like teh bazari and similar license for hawkers) from Government Authorities/Local Self Government Bodies; or
 - iv. Institutions having certificate of incorporation or registration as a society or registration as public trust for their self-consumption.



An entity, to whom WT is made, may fulfill any one of the 4 (four) conditions stated above.

- (c) Full records indicating all the details of such sales like name of entity, kind of entity, registration/license/permit etc. number, amount of sale etc. should be maintained on a day to day basis.
- (d) WT of goods would be permitted among companies of the same group. However, such WT to group companies taken together should not exceed 25% of the total turnover of the wholesale venture.
- (e) WT can be undertaken as per normal business practice, including extending credit facilities subject to applicable regulations.
- (f) A wholesale/cash & carry trader can undertake single brand retail trading, subject to the conditions prescribed in that regard under the FDI Policy. An entity undertaking wholesale/cash and carry as well as retail business will be mandated to maintain separate books of accounts for these two arms of the business and duly audited by the statutory auditors. Conditions of the FDI policy for wholesale/cash and carry business and for retail business have to be separately complied with by the respective business arms.

Accordingly, as per the FDI Policy, foreign investment upto 100% through the automatic route would be permitted in the textile trading operations of the Company.

Other Financial Services

Further, the FDI Policy inter-alia prescribes that foreign investment upto 100% under the automatic route is permitted in the Other Financial Services Sector where Financial Services activities are regulated by financial sector regulators, viz., RBI, SEBI, IRDA, PFRDA, NHB or any other financial sector regulator as may be notified by the Government of India.

Further, such investment is subject to certain conditions as follows:

- (a) Foreign investment in 'Other Financial Services' activities shall be subject to conditionalities, including minimum capitalization norms, as specified by the concerned Regulator/Government Agency.
- (b) 'Other Financial Services' activities need to be regulated by one of the Financial Sector Regulators. Where the financial services activity is not regulated by any Financial Sector Regulator or where only part of the financial services activity is regulated or where there is doubt regarding the regulatory oversight, foreign investment up to 100% will be allowed under Government approval route subject to conditions including minimum capitalization requirements, as may be decided by the Government.
- (c) Where any activity which is specifically regulated by an Act, the foreign investment limits will be restricted to those levels/limit that may be specified in that Act, if so mentioned.
- (d) Downstream investment by any of these entities engaged in "Other Financial Services" will be subject to the extant sectoral regulations and provisions of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 as may be amended from time to time.

Accordingly, as per the FDI Policy read with the Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by banks issued by the Reserve Bank of India, foreign investment upto 100% through the automatic route would be permitted in the Company vis-à-vis the financial services provided by the Company.



HISTORY AND CERTAIN CORPORATE MATTERS

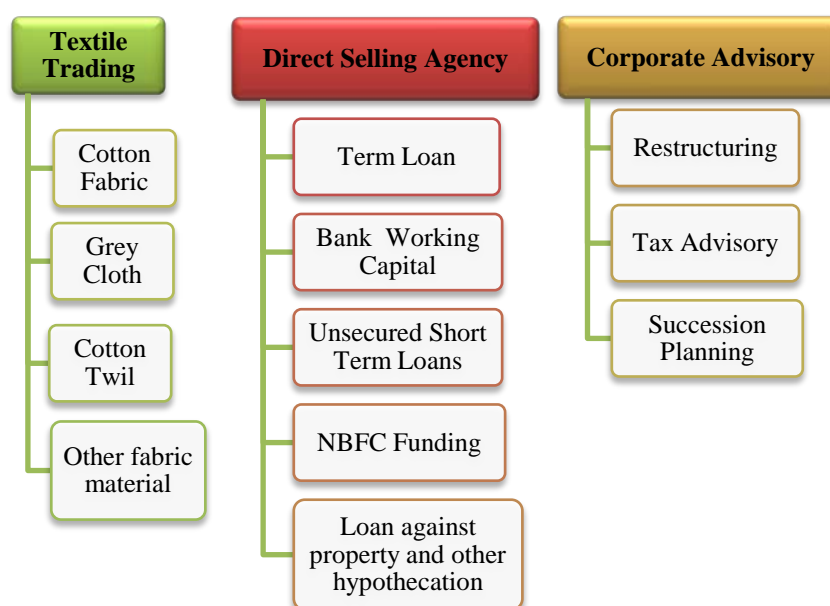
Our Company was incorporated as Sarthak Suppliers Private Limited on January 23, 2009 under the Companies Act, 1956 bearing Registration No. 186958 and having its Registered Office in Delhi. The name of the Company was changed to IFL Enterprises Private Limited vide special resolution dated January 11, 2016 and name change Certificate was issued on January 28, 2016 by the Registrar of Companies, Delhi. The status of our Company was changed to a public limited company and the name of our Company was changed to IFL Enterprises Limited vide special resolution dated January 28, 2016. A fresh Certificate of Incorporation consequent upon change of name was issued on February 18, 2016 by the Registrar of Companies, Delhi. The Company's Corporate Identity Number is U67100DL2009PLC186958

Our company is a subsidiary of India Finsec Limited, and represents the other business activities of the group. We are engaged in the business of corporate advisory, debt syndication and execution services with paramount focus on small and medium enterprises (SMEs) in corporate and non-corporate sector. Further we are also involved in the business of trading in textile products primarily fabrics.

We have obtained Direct Selling Agency of PNB Housing Finance, Tata Capital Housing Finance Limited, and IDFC Bank. Further we are in process of obtaining DSA for ICICI Bank, Axis Bank, IDBI Bank and India Bulls. Due to these DSAs and our strong network amongst the debt finance market; we mentor and help small and medium enterprises to raise banking and institutional finance. We believe that our domain knowledge of debt markets in India would further augment our ability to invest in securities, primarily bonds and other fixed income instruments and earn good risk adjusted returns.

Further we operate as a trader in textile products, primarily fabrics. We act as an intermediary between buyer and seller buying goods on cash basis and providing credit to cash-strapped businessmen in this field. We operate these businesses from our registered office at D-16, 1st Floor, Prashant Vihar, Sector-14, Rohini, New Delhi- 11008, Delhi.

The various business segments that we operate in are as follows:



For further details regarding our business operations, please see the chapter titled “*Our Business*” beginning on page no. 67 of this Prospectus.

Our Company has Thirteen (13) shareholders, as on the date of this Prospectus.



Major events in the history of Our Company:

Year	Event
2009	Incorporated under Companies Act, 1956 as Sarthak Suppliers Private Limited
2015	Management changed and Mr. Mukesh Sharma appointed as Director
2016	Change in major shareholding pattern and our company became a subsidiary of India Finsec Ltd.
2016	Name of the Company was changed to IFL Enterprises Private Limited and additional business activities were added into the main objects of the company.
2016	Our Company began Advisory and DSA related activities in addition to re-designing original activity of trading in textiles.
2016	Consolidation of the Face Value of the Equity Shares from ₹ 1 to ₹ 10 each
2016	Changed the status of our Company from Private to Public i.e. IFL Enterprises Limited

Main Objects

The main object of our Company is as follows:

- ✓ *To purchase or acquire, hold, trade, deal and further to dispose of any right, stake or controlling interest in the shares, stocks, debenture stock, bonds, all commodities and commodity derivatives, currency including their derivatives and Future & Options of shares/index or securities of companies or partnership firms either singly or jointly with any other person(s), body corporate or partnership firm carrying out or proposing to carry out any activity in India or in any other part of the world and to purchase, acquire, trade, invest, construct or otherwise deal in any kind of immoveable property.*
- ✓ *To carry on the business of all kinds of fabrics, electrical items and similar kind of products and to carry on the business of buying, selling, general importers, exporters, distributors, stockists, agents, broker, consultants, designers and dealers in all manner of goods or merchandise of any description and to act as international suppliers, commission agents, brokers, dealers and traders in articles of all types and to act as agents broker for sellers, buyers, exporters, importers, manufacturers, merchants, tradesman, and otherwise to undertake and carry out international or domestic agency work of any kind transact all manner of agency and commission business, business of Tele-shopping and to secure orders through phones or by all other means and sell such goods through courier, post parcel or through other means and to open Departmental stores or retail outlets in all the major cities for the business of the company.*
- ✓ *To carry on the business of Direct Selling Agent of various Banks, Financial Institutions, NBFCs and other similar organizations for selling their products and also providing consultancy services regarding project financing, placement services and other similar services.*

Changes in Registered Office of our Company

Date of Change	Address
On Incorporation	Shop No.4, 68, Pocket H-34, Sector-3, Rohini, New Delhi -110085
July 30, 2014	From- Shop No.4, 68, Pocket H-34, Sector-3, Rohini, New Delhi -110085 To- G-10/66, Sector-15 Rohini North West, Delhi- 110085.
March 18, 2016	From- G-10/66, Sector-15 Rohini North West, Delhi- 110085. To- D-16, 1st Floor, above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi, 110085

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
March 30, 2009	The initial authorised share capital of ₹ 1,00,000 divided into 1,00,000 Equity Shares of ₹ 1 each was increased to ₹ 9,00,000 divided into 9,00,000 Equity Shares of ₹ 1 each.
November 25, 2015	The authorised share capital of ₹ 9,00,000 divided into 9,00,000 Equity Shares of ₹ 1 each was increased to ₹ 10,00,000 divided into 10,00,000 Equity Shares of ₹ 1 each.



Date	Nature of Amendment
January 27, 2016	Clause I of the Memorandum of Association was altered by inserting the name “IFL Enterprises Private Limited” in place of “Sarhthak Suppliers Private Limited”.
January 28, 2016	<p>Clause III of the Memorandum of Association was deleted and substituted with the following objectives which would be hence forth the main object clause of the Company:</p> <p>“To purchase or acquire, hold, trade, deal and further to dispose of any right, stake or controlling interest in the shares, stocks, debenture stock, bonds, all commodities and commodity derivatives, currency including their derivatives and Future & Options of shares/index or securities of companies or partnership firms either singly or jointly with any other person(s), body corporate or partnership firm carrying out or proposing to carry out any activity in India or in any other part of the world and to purchase, acquire, trade, invest, construct or otherwise deal in any kind of immoveable property.”</p> <p>“To carry on the business of all kinds of fabrics, electrical items and similar kind of products and to carry on the business of buying, selling, general importers, exporters, distributors, stockists, agents, broker, consultants, designers and dealers in all manner of goods or merchandise of any description and to act as international suppliers, commission agents, brokers, dealers and traders in articles of all types and to act as agents broker for sellers, buyers, exporters, importers, manufacturers, merchants, tradesman, and otherwise to undertake and carry out international or domestic agency work of any kind transact all manner of agency and commission business, business of Tele-shopping and to secure orders through phones or by all other means and sell such goods through courier, post parcel or through other means and to open Departmental stores or retail outlets in all the major cities for the business of the company.”</p> <p>“To carry on the business of Direct Selling Agent of various Banks, Financial Institutions, NBFCs and other similar organizations for selling their products and also providing consultancy services regarding project financing, placement services and other similar services.”</p>
January 28, 2016	Consolidation of ₹10,00,000 divided into 10,00,000 Equity Shares of ₹ 1 each to 1,00,000 Equity Shares of ₹ 10 each.
February 18, 2016	Clause I of the Memorandum of Association was altered by inserting the name “IFL Enterprises Limited” in place of “IFL Enterprises Private Limited”.
February 23, 2016	The authorised share capital of ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each was increased to ₹ 3,10,00,000 divided into 31,00,000 Equity Shares of ₹ 10 each.

Subsidiaries

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

Holding Company

Please see the chapter “*Our Promoters and Promoter Group*” on page no. 96 of this Prospectus for further details of our holding company i.e., India Finsec Limited.

Joint Ventures

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

Shareholders’ Agreement

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

Strategic Partners

We do not have any strategic partners as on the date of this 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 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 details regarding our Company's Board of Directors as on the date of this Prospectus:

Sr. No.	Name, Designation, Address, Occupation, Term, Date of Birth and DIN	Nationality	Age	Other Directorships
1	<p>Mr. Gopal Bansal Chairman and Managing Director</p> <p>Address: A-1/11, Varun Apptt, Rohini Sector-9, Delhi - 110 085</p> <p>Date of Appointment as Director: March 01, 2016</p> <p>Date of appointment as Managing Director: July 11, 2016</p> <p>Occupation: Business</p> <p>Term: Appointed as Managing Director for a period of five years i.e. till July 10, 2021</p> <p>DIN: 01246420</p>	Indian	41 years	<ul style="list-style-type: none">• India Finsec Limited• RG Finsec Private Limited
2	<p>Mr. Mukesh Sharma Executive Director</p> <p>Address: F-155, Arya Samaj Road, Uttam Nagar, New Delhi - 110 059</p> <p>Date of Appointment as Executive Director: July 06, 2015</p> <p>Occupation: Business</p> <p>Term: Liable to retire by rotation</p> <p>DIN: 00274217</p>	Indian	38 years	<ul style="list-style-type: none">• India Finsec Limited• Fidelo Foods Private Limited
3	<p>Mr. Ashok Kumar Bansal Non-Executive Non-Independent Director</p> <p>Address: A-1/11, Varun Apptt, Rohini Sector-9, Delhi - 110 085</p> <p>Date of Appointment as Non-Executive Non-Independent Director: August 10, 2016</p> <p>Occupation: Business</p> <p>Term: Liable to retire by rotation</p> <p>DIN: 07069510</p>	Indian	48 years	NIL



Sr. No.	Name, Designation, Address, Occupation, Term, Date of Birth and DIN	Nationality	Age	Other Directorships
4	<p>Mr. Pramod Sharma Non-Executive Independent Director</p> <p>Address: 468, Pragpura, Kotputli, Dist- Jaipur 303 108</p> <p>Date of Appointment as Additional Independent Director: December 17, 2016</p> <p>Occupation: Freelancer</p> <p>Term: Up to next General Meeting</p> <p>DIN: 07539741</p>	Indian	46 years	NIL
5	<p>Ms. Himanshi Kashyap Non-Executive Independent Director</p> <p>Address: House 52/36-I-1, Gali No.- 17, Nai Basti, Anand Parbat, Karol Bagh, Central Delhi, Delhi- 110 005</p> <p>Date of Appointment as Additional Independent Director: December 17, 2016</p> <p>Occupation: Services</p> <p>Term: Up to next General Meeting</p> <p>DIN: 07681277</p>	Indian	21 Years	NIL

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

Notes:

- Except as stated below, none of Directors on our Board are related to each other
 - Mr. Ashok Kumar Bansal is the Uncle of Mr. Gopal Bansal
- 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 the 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 willful defaulter, as defined under SEBI (ICDR) Regulations.



BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Gopal Bansal

Mr. Gopal Bansal, aged 41 years is the Chairman and Managing Director of our company. He is a Commerce Graduate from Rajasthan University and is a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He has a professional experience of more than a decade in the field of Finance, Project Financing, Share Market Research, Bonds Market, Taxation, Audits and also deals in matters relating to RBI. He brings with him a vast knowledge of accounts, audit and taxation. He has been the main guiding force behind the growth and business strategy of our Company.

Mr. Mukesh Sharma

Mr. Mukesh Sharma, aged 38 years, is the Promoter and Whole-Time Director of our Company. He did his Master in Commerce from Himachal Pradesh University. He has a working experience of almost a decade in the field of Financing, Investment, Management Consultancy, Taxation, Textile etc. He has been a real backbone of the company for identifying, negotiating and implementing new business opportunities. He has played an extremely crucial role in team building, infrastructure setup and clients addition

Mr. Ashok Kumar Bansal

Mr. Ashok Kumar Bansal aged 48 years, is a Non-Executive Non-Independent Director of our Company. He completed his Bachelors in Commerce from University of Rajasthan. Mr. Ashok Kumar Bansal has a vast experience in Finance and Investment Business.

Mr. Pramod Sharma

Mr. Pramod Sharma, aged 46 years, is the Non-Executive Independent Director of our Company. He is a Commerce Graduate from Rajasthan University. He has experience of more than a decade in the field of Financial Planning and Advisory. As the Independent Director of our Company he is responsible for providing his expertise & inputs and for ensuring the board adheres to the required corporate governance requirements.

Ms. Himanshi Kashyap

Ms. Himanshi Kashyap, aged 21 years, is the Non-Executive Independent Director of our Company. She holds a Bachelor of Arts degree. She has experience of two years in the field of Financial Advisory having served in key managerial positions in financial firms.

Borrowing Powers of our Board of Directors

Our Company at its Extra-Ordinary General Meeting held on August 10, 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 ₹ 40.00 crores.

Remuneration of Executive Directors

Mr. Gopal Bansal, Chairman and Managing Director

Our Company at its Extra-Ordinary General Meeting held on August 10, 2016, passed a resolution authorizing Board of Directors pursuant to the provisions of section 196, 197, 203 and any applicable provision of Companies act, 2013 to approve a remuneration payable to Mr Gopal Bansal not exceeding ₹ 30,00,000 (Rupees Thirty Lakhs only) per annum as provided under the provisions of the Act unless otherwise approved by the Central Government.

Remuneration paid to Mr. Gopal Bansal for FY 2015-16 was ₹ 0.30 Lakhs



Mr. Mukesh Sharma, Executive Director

Our Company at its Annual General Meeting held on September 30, 2016, passed a resolution authorizing Board of Directors pursuant to the provisions of section 197 read with Schedule V and other applicable provision of Companies act, 2013 to approve a remuneration payable to Mr Mukesh Sharma of ₹ 2,40,000 (Rupees Two Lakhs Forty Thousand only) per annum as provided under the provisions of the Act unless otherwise approved by the Central Government.

Remuneration paid to Mr. Mukesh Sharma for FY 2015-16 was Nil

Compensation of Non-Executive Director

Pursuant to a resolution passed at the meeting of the Board of the Company on July 11, 2016 the Non-Executive Director will be paid ₹ 1000/- per sitting fee for all Board / Committee meetings held.

Remuneration paid to our Non-Executive Director in Fiscal 2016: Nil

Shareholding of Directors

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

Name Of Directors	No. of Equity Shares held	% of Pre-Issue Paid Up Capital
Mr. Gopal Bansal	-	-
Mr. Mukesh Sharma	81,250	5.90%
Mr. Ashok Kumar Bansal	-	-
Mr. Pramod Sharma	-	-
Ms. Himanshi Kashyap	-	-
Total Holding of Directors	81,250	5.90%
Total Paid up Capital	13,76,172	100.00%

Interest of 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 XXI - Related Party Transactions*” beginning on page nos. 85 and 124 of this Prospectus respectively, our Directors do not have any other interest in our business.

Except as disclosed in “*Properties*” within the section titled “*Our Business*” on page no. 74 of this Prospectus, our Directors have no interest in any property acquired by our Company within two years of the date of this Prospectus. Further, except as disclosed in “*Properties*” within the section titled “*Our Business*” on page no. 74 of this Prospectus, our Company has not taken any property on lease from our Promoters within two years of the date of this Prospectus.



Changes in our Board of Directors in the last three years

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

Name	Date of Change	Reason
Mr. Ganesh Gupta	July 28, 2014	Appointment
Mr. Yogesh Kumar	July 28, 2014	Appointment
Mr. Naveen Kumar Gupta	July 29, 2014	Resignation
Mr. Sandeep Gaur	July 29, 2014	Resignation
Mr. Mukesh Sharma	July 06, 2015	Appointment
Mr. Gopal Bansal	March 01, 2016	Appointment
Mrs. Charu Goyal	March 01, 2016	Appointment
Mr. Ganesh Prasad Gupta	March 02, 2016	Resignation
Mr. Yogesh Kumar	March 02, 2016	Resignation
Mr. Gopal Bansal	July 11, 2016	Change in designation
Mr. Basant Mittal	July 11, 2016	Appointment
Mr. Ashok Kumar Bansal	August 10, 2016	Appointment
Mr. Basant Mittal	September 30, 2016	Change in designation
Mrs. Kusum Lata Sharma	November 24, 2016	Appointment
Mrs. Charu Goyal	November 25, 2016	Resignation
Mrs. Kusum Lata Sharma	November 30, 2016	Resignation
Mr. Basant Mittal	November 30, 2016	Resignation
Mr. Pramod Sharma	December 17, 2016	Appointment
Ms. Himanshi Kashyap	December 17, 2016	Appointment

Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations to the extent applicable to the entity whose shares are listed on the SME Exchange will also be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the SEBI Regulations and the Companies Act, in respect of corporate governance including constitution of the Board and committees thereof.

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 December 17, 2016 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

Sr. No.	Name	Designation in Committee	Nature of Directorship
1	Mr. Pramod Sharma	Chairman	Non-Executive Independent Director
2	Ms. Himanshi Kashyap	Member	Non-Executive Independent Director
3	Mr. Gopal Bansal	Member	Chairman and Managing Director

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 Prospectus 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/Draft Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 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 one hundred and twenty days 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 December 17, 2016. The Shareholder and Investor Grievance Committee comprises of:

Sr. No.	Name	Designation in Committee	Nature of Directorship
1	Ms. Himanshi Kashyap	Chairman	Non-Executive Independent Director
2	Mr. Pramod Sharma	Member	Non-Executive Independent Director
3	Mr. Mukesh Sharma	Member	Executive Director

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 December 17, 2016.

The Nomination and Remuneration Committee currently comprises of:

Sr. No.	Name	Designation in Committee	Nature of Directorship
1	Mr. Pramod Sharma	Chairman	Non-Executive Independent Director
2	Ms. Himanshi Kashyap	Member	Non-Executive Independent Director
3	Mr. Ashok Kumar Bansal	Member	Non-Executive Non-Independent Director

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.

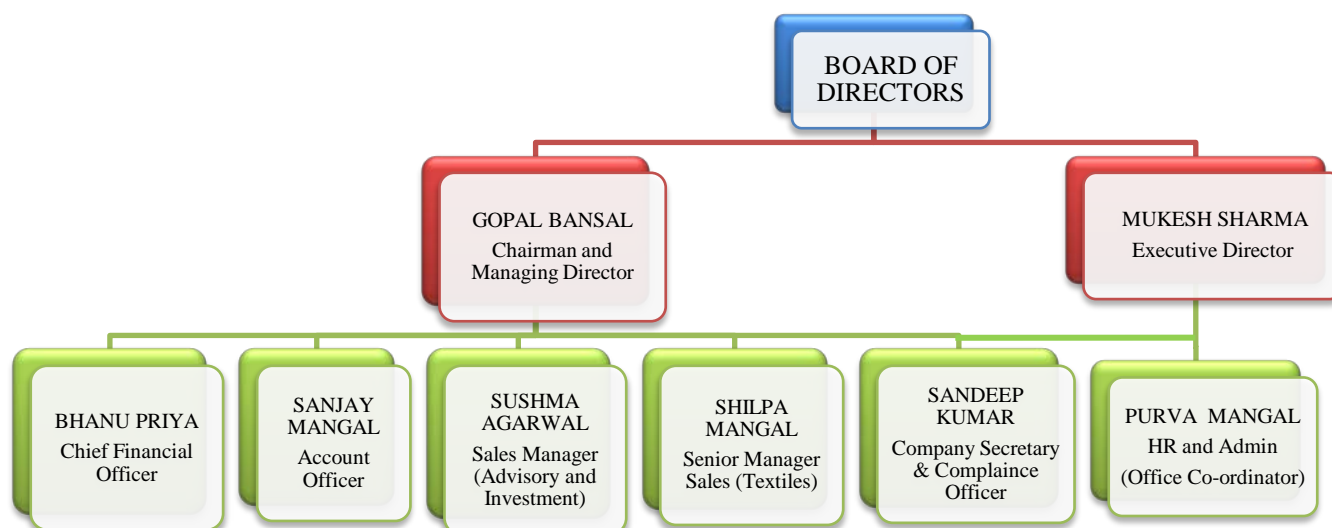
The Company Secretary of our Company acts as the Secretary to the Committee.

Policy on Disclosure and 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 offer.

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 Organisation Structure





Key Managerial Personnel

The following table sets forth the Key Managerial Personnel and their significant details:

Name of Employee	Designation and Functional Area	Date of Appointment / Change in Designation	Compensation for Last Fiscal Year (₹ in lakhs)	Qualification	Name of Previous Employer	Total Years of Experience
Bhanu Priya ⁽¹⁾	Chief Financial Officer	August 10, 2016	0.30	Chartered Accountant B. Com	EY-GSS-GTH India	4 Years (Including 3 years articleship)
Sandeep Kumar	Company Secretary and Compliance officer	August 10, 2016	Nil	C. S. L.L.B B.Com	<ul style="list-style-type: none"> • M/s. Abhay Kushwaha & Associates, Advocates • M/s. Suman Kumar & Associates, Company Secretaries • M/s. Sachin Agarwal & Associates, Chartered Accountants 	7 Years (Including 1.3 years articleship)
Sushma Aggarwal	Manager Sales (Advisory and Investment)	April 01, 2016	Nil	B.A.	P Seven General Finance Private Limited	4 Years
Sanjay Mangal	Account Officer	April 01, 2015	2.32	Inter C.A. B.Com	Sarvam & Associate	4 Years (Including 3 years articleship)
Shilpa Mangal	Senior Manager Sales (Textiles)	April 01, 2015	2.30	B. Com	Anoopurva Fashion Fabrics Pvt. Ltd.	4 Years
Purva Mangal	HR and Admin (Office Co-ordinator)	April 01, 2015	2.31	B.A.	Anoopurva Fashion Fabrics Pvt. Ltd.	7 Years

⁽¹⁾ Bhanu Priya was appointed on March 01, 2016 as account officer and paid remuneration accordingly. However she was re- designation as Chief Financial Officer on August 10, 2016.

Other Notes –

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

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

Relationship amongst the Key Managerial Personnel

None of the aforementioned KMP is related to each other.

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

Shareholding of Key Managerial Personnel

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

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

Loans taken by Key Management Personnel

None of our Key Managerial Personnel have taken any loan from our Company as on the date of the Prospectus.

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, 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 Prospectus

Name	Designation	Date of Joining/ Change in Designation
Bhanu Priya	Chief Financial Officer	August 10, 2016
Sandeep Kumar	Company Secretary & Compliance Officer	August 10, 2016
Sushma Aggarwal	Manager Sales (Advisory and Investment)	April 01, 2016
Sanjay Mangal	Accounts Officer	April 01, 2015
Shilpa Mangal	Senior Manager Sales (Textiles)	April 01, 2015
Purva Mangal	HR and Admin (Office Co-ordinator)	April 01, 2015


OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

1. Mr. Mukesh Sharma (Individual Promoter)
2. India Finsec Limited (Corporate Promoter)

The details of our Promoters are as follows:

Mr. Mukesh Sharma

	Identification	Details
	PAN	AMVPS1115M
	Passport No.	Not Applicable
	Driving License Number	P-98011422
	Voter's ID	BVK0674085
	Bank Account Number	223010100106153
	Name of Bank & Branch	Axis Bank, New Delhi Branch

For additional details on the age, background, personal address, educational qualifications, experience, positions/posts held in the past, terms of appointment as Directors and other directorships of our Promoters, please see the Chapter titled "Our Management" beginning on page no. 85 of this Prospectus.

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

India Finsec Limited (IFINSEC)

India Finsec Limited is the promoter of our company and holds of the 64.66% pre-issue paid up equity share capital of our company.

Name	India Finsec Limited
Permanent Account Number	AAACD2872L
Company Registration Number	L65923DL1994PLC060827
Address of ROC with which the company is registered	4th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019 Phone 011-26235704 Fax 011-26235702
Bank Account Number	1710005502127663
Name of the Bank and Branch	Punjab National Bank, Pitampura Branch

Date and Year of Initial Listing	June 11, 2013
Name of the Stock Exchanges where currently listed	BSE
Details of public offerings in last 3 Years	IPO
Date of opening and closing of Issue	Opening Date: May 24, 2013 Closing Date: May 28, 2013
Date of Allotment	June 06, 2013
Face Value (₹)	10/-
Listing Code	BSE: 535667

Brief

History and Background

India Finsec Limited was incorporated as Dynasore Leasing and Holding Private Limited on August 10, 1994 under the Companies Act, 1956 bearing Registration No. 060827 having its Registered Office in Delhi. In pursuance to a special resolution passed by the members of our Company at the EGM held on December 09, 2011, the name of the Company was changed to India Finsec Private Limited. A fresh Certificate of Incorporation consequent to change of name was issued on December 14, 2011 by the Registrar of Companies, New Delhi. Later the Company became a Public Limited Company pursuant to a special resolution passed by the members of our Company at the EGM held on December 19,




2011. A fresh Certificate of Incorporation consequent to conversion to a public limited company was issued on January 09, 2012 by the Registrar of Companies, New Delhi. The Company's Registered Office is situated at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector 14, Rohini, New Delhi – 110085, India.

India Finsec Limited is registered as a NBFC to carry on NBFC Activities under Section 45(1A) of the Reserve Bank of India Act, 1934 bearing Registration no. B-14-00127 dated February 21, 2002.

India Finsec Limited is a Non Deposit taking Non-systemically Important Non Banking Finance Company (NBFC-ND-NSI) engaged primarily in the business of advancing loans and investing/trading in securities.

Promoter of IFINSEC

The natural persons having control over ININSEC are Mr. Mukesh Sharma and Mr. Gopal Bansal which along with other Promoter group members together holds 32.78% of the paid-up capital. The details of natural persons having control over ININSEC are:

Mr Gopal Bansal	Identification	Details
	PAN	AAHPB8176F
	Passport No.	J5324105
	Driving License Number	P04082004403795
	Voter's ID	AFQ0640227

*For details regarding Mr. Mukesh Sharma, please refer to Chapter "Promoters and Promoter Group" on page no. 96 of this Prospectus

Board of Directors of India Finsec Limited as on date of this Prospectus

Sr.No.	Name of Director	Designation
1	Mr. Gopal Bansal	Managing Director
2	Mr. Basant Mittal	Independent Director
3	Mrs. Charu Goyal	Independent Director
4	Mr. Mukesh Sharma	Executive Director

Brief Audited Financials of India Finsec Limited

(₹ in Lakhs)

S. No.	Particulars	September 30,2016	As at March, 31		
			2016	2015	2014
1	Share Capital (F. V. ₹ 10/-)	2,494.17	2,494.17	2,494.17	1,944.17
2	Reserves (Excluding revaluation reserve) and Surplus	1,839.18	1,669.35	1,630.37	1,539.71
3	Income including other income	340.71	723.91	325.84	680.95
4	Profit/(Loss) after tax	117.35	55.58	2.49	2.35
5	Earnings per share/ Diluted earnings per share	0.47	0.22	0.00	0.01
6	Net Asset Value per share	17.37	16.69	16.54	17.92

The Stock Market data of India Finsec Limited at BSE (Scrip Code: 535667)

Month	High (₹)	Low (₹)	No. of Shares Traded	Total Turnover (₹)
January 2017	15.56	12.56	21,180	3,25,385
December 2016	11.97	9.98	155	1,602
November 2016	9.51	9.51	50	475
October 2016	11.10	9.12	9,10,477	94,54,503
September 2016	11.07	8.45	6,06,050	62,40,930
August 2016	8.50	7.30	8,56,446	65.99
July 2016	6.98	6.00	12,45,250	74.73

(Source: www.bseindia.com)



Shareholding pattern of India Finsec Limited on December 31, 2016

Category (I)	Category of Share-holder (II)	No. of Share-holder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares Underlying Depository Receipts (VI)	Total Nos. Shares held (VII) = (IV) + (V) + (VI)	Share holding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)				No of 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	Classes	Total								
(A)	Promoter & Promoter Group	6	81,77,065	-	-	81,77,065	32.78%	81,77,065	-	81,77,065	32.78%	-	32.78%	-	-	-	-	81,77,065
(B)	Public	526	1,67,64,650	-	-	1,67,64,650	67.22%	1,67,64,650	-	1,67,64,650	67.22%	-	67.22%	-	-	-	-	95,85,000
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	532	2,49,41,715	-	-	2,49,41,715	100.00%	2,49,41,715	-	2,49,41,715	100.00%	-	100.00%	-	-	-	-	1,77,62,065

The closing share prices of IFINSEC as on the date of this Prospectus on BSE was ₹ 19.15.

The market capitalization of IFINSEC as on the date of this Prospectus on BSE was ₹ 4,776.34 lakhs.



Past Penalties and Listing Compliances:

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

Mechanism for redressal of Investor Grievance

All share related matters namely transfer, transmission, transposition, nomination, dividend, change of name, address and signature, registration of mandate and power of attorney, replacement, split, consolidation, dematerialization and dematerialization of shares, issue of duplicate certificates etc. are handled by IFINSEC registrars and transfer agents, Skyline Financial Services Private Limited.

Investors correspond directly with Skyline Financial Services Private Limited, on all share related matters. IFINSEC has an established mechanism for investor service and grievance handling, with Skyline Financial Services Private Limited and the compliance officer appointed by IFINSEC for this purpose being the important functional nodes.

IFINSEC has constituted Shareholders Relationship committee consisting of Mr. Basant Mittal, Ms. Charu Goyal and Mr. Gopal Bansal, which, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with securities transfers and other processes. As on the date of this Prospectus, there were no investor complaints pending against IFINSEC.

Promise vis-à-vis Objects

India Finsec Limited (IFINSEC)

IFINSEC has come out with an Initial Public Offer of 60,00,000 Equity Shares of ₹ 10/- each offered at a fixed price of ₹ 10 per share aggregating to ₹ 600.00 Lakhs. The said issue was opened for subscription on May 24, 2013 and closed on May 28, 2013. The issue was fully subscribed and the basis of allotment was finalized in consultation with the BSE Ltd. on June 06, 2013 and the new equity shares were listed on BSE with effect from June 11, 2013.

The Object of the Issue is to raise funds for:

- Purchase and set up of Office Space for Registered Office;
- To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities and
- Issue related Expenses.

Details of utilization of Public Issue proceeds of ₹ 600.00 lakhs are as follows:

(₹ in lakhs)

Sr. No.	Particulars	Proposed Objects	Actual Utilizations
1	Purchase and set up of Office Space for Registered Office ⁽¹⁾	350.00	350.00 ⁽¹⁾
2	To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities	200.00	200.00
3	Issue related Expenses	50.00	50.00
	Total	600.00	600.00

⁽¹⁾M/s. V. N. Purohit & Co., Chartered Accountants have vide their certificate dated May 30, 2015 confirmed that ₹ 350.00 lakhs stands toward purchase of registered office as per object of the issue was alter to working capital via Special Resolution dated September 27, 2014 and the same fund was utilized towards the working capital of the company.

M/s. V. N. Purohit & Co., Chartered Accountants have vide their certificate dated May 30, 2015 confirmed that the entire amount raised by IFINSEC through Initial Public Offer for the above mentioned objects/ modified objects was utilize, as proposed / modified, on or before March 31, 2015



Other disclosures:

- IFINSEC is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. However IFINSEC neither has a negative net-worth nor has made a loss in the immediately preceding year.
- No application has been made to RoC for striking off the name of IFINSEC;
- No show cause notice has been issued or no prosecution proceeding have been initiated by SEBI against IFINSEC.
- Promoters or directors of IFINSEC have not been declared as wilful defaulters by the RBI or any other governmental authority and except as stated in “*Outstanding Litigations and Material Developments*” and “*Risk Factors*” beginning on page 141 and 9 respectively of this Prospectus, there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.
- IFINSEC will not subscribe to the IPO of our Company.

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

Changes in Management and Control

There has been no change in control of the management of India Finsec Limited in the preceding three years of this Prospectus.

Other undertakings and confirmations

We confirm that the PAN, bank account number and passport number of the Individual Promoter have been submitted to the Stock Exchanges at the time of filing of the Draft Prospectus with the Stock Exchange.

We confirm that the PAN, bank account number and Certificate of Incorporation of the Corporate Promoter have been submitted to the Stock Exchanges at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters, the members of our Promoter Group have confirmed that they have not been identified as willful defaulters by the RBI or any other governmental authority.

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

Outstanding Litigation

There is no outstanding litigation against our promoters except as disclosed in the sections titled “*Risk Factors*” and chapters titled “*Outstanding Litigations and Material Developments*” beginning on page nos. 9 and 141 respectively of this Prospectus.

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. 38, 111 and 85 of this Prospectus.

Except as stated otherwise in this 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.



For Further details on the related party transaction, to the extent of which our Company is involved, please see “Annexure XXI - Statement of Related Party Transaction” on page no. 124 of this Prospectus.

Payment of benefits to the Promoters

Except as stated in “Financial Information Annexure XXI - Related Party Transactions” beginning on page no 124 of this Prospectus, there has been no payment of benefits to the Promoters during the two years preceding the date of this Prospectus.

Common Pursuits of our Promoters

Our Promoter and Executive Director Mr. Mukesh Sharma is on the Board of Fidelo Foods Pvt. Ltd. Further, Fidelo Foods Pvt. Ltd. has not been authorised by its Memorandum of Association to undertake activities which are similar to ours

Similarly India Finsec Limited is Promoter of our Company. Further, India Finsec Limited are been authorised by its Memorandum of Association to undertake activities which are similar to ours.

Our Company has not adopted any measures for mitigating such conflict situations. For further details on the related party transactions, to the extent of which our Company is involved, please see “Annexure XXI - Related Party Transactions” beginning on page no. 124 of this Prospectus.

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

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

Interest of Promoters in the Promotion of our Company

Our Company is currently promoted by Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding (Individual and Corporate) and directorship (Individual) 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 the Draft Prospectus or proposed to be acquired by our Company as on the date of this Prospectus, other than as mentioned in the chapter titled “Our Business” and “Objects of the Issue” beginning on page nos. 67 and 48 respectively of this Prospectus.

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

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

Except as stated in “Annexure XXI - Related Party Transactions” on page no. 124 of this Prospectus, no amount or benefit has been paid by our Company to our Promoter or the members of our Promoter Group in the last two years preceding the date of the Draft Prospectus.

Interest of Promoters in our Company other than as Promoters

Other than as Promoters, our Promoters are interested in our Company to the extent of their shareholding (Individual and Corporate) and directorship (Individual) in our Company and the dividend declared, if any, by our Company. For details please see chapters titled “Our Management” and “Capital Structure” beginning on page nos. 85 and 38 respectively of this Prospectus.

Except as mentioned in this section and the Chapters titled “Our Business”, “Objects of the Issue”, “History and Certain Corporate Matters” and “Financial Information - Related Party Transactions - Annexure XXI” beginning on page nos.



67, 48, 81 and 124 respectively of this Prospectus, our Promoters do not have any interest in our Company other than as Promoters.

Related Party Transactions

Except as stated in “*Financial Information Annexure XXI - Related Party Transactions*” beginning on page no. 124 of this Prospectus, our Company has not entered into related party transactions with our Promoters or our Group Companies.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of the Draft Prospectus please see chapter titled “*Capital Structure – Notes to Capital Structure*” beginning on page no. 38 of this Prospectus.

Other confirmations

Our Company has neither made any payments in cash or otherwise to the 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 section “*Financial Information Annexure XXI - Related Party Transactions*” beginning on page no. 124 of this 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 Promoters Group:

1. Natural Persons who are Part of the Promoter Group

The Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoter, are as follows:

Name of the Relative	Relationship with the Relative
Jai Prakash Sharma	Father of Mukesh Sharma
Maya Sharma	Mother of Mukesh Sharma
Renu Sharma	Wife of Mukesh Sharma
Rajendra Sharma	Brother of Mukesh Sharma
Seema Sharma	Sister of Mukesh Sharma
Nabhya Sharma	Son of Mukesh Sharma
Brij Mohan Sharma	Father of Renu Sharma
Kusum Lata Sharma	Mother of Renu Sharma
Bhaskar Sharma	Brother of Renu Sharma

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

As per Regulation 2(1)(zb)(iv) of the SEBI (ICDR) Regulations, 2009, the following entities would form part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity
1	Fidelo Foods Private Limited
2	RG Finsec Private Limited
3	IFL Hosing Finance Limited



OUR GROUP COMPANIES

In addition to our Promoters & Promoter Group, as specified under the section “Our Promoters and Promoter Group” on page no. 96 of this 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 companies based on the above are:

- Fidelo Foods Private Limited
- RG Finsec Private Limited
- IFL Housing Finance Limited

DETAILS OF OUR GROUP COMPANY:

1. FIDELO FOODS PRIVATE LIMITED (“FFPL”)

Corporate Information

FFPL was incorporated under the Companies Act, 1956 as Fidelo Food Private Limited on December 18, 2010 in the state of Delhi, Its registered office is situated at D-16, First Floor, Above ICICI Bank, Prashant Vihar, New Delhi, - 110085. The CIN no. of the Company is U15400DL2010PTC211527. The main objects are as follow

To carry on the business of manufacturing and trading of biscuits, cookies, namkeens, snacks and various other food products. To carry on the business of hotel, bars, restaurant, snack bars, fast food cafe, motels, holiday camps, guest houses, canteens, carters and housekeepers. To carry on the business as importers, exporters, import agents, buyers and sellers of all kinds of legally permissible foodstuff, caned or otherwise, including meat, beef, poultry and other livestock, sausages, preserved meat, and to act as bakers. To deal in, carry on the business of local and international food, and to cook, prepare, preserve, import, export, pack, buy, sell, dispose of, supply deal catering in a transport and deliver all kinds of international and local foods as finished product, semi-finished, product or as ingredients and mixes thereof. To carry on all or any of the businesses of hotel keepers, innkeepers, beer-house keepers, restaurant keepers, lodging-house keeper.

Board of Directors

- Mr. Mukesh Sharma
- Ms. Nidhi Bansal

Capital Structure

Particulars	No. of Equity Shares of ₹ 10 each
Authorised Capital	50,000
Issued, Subscribed and Paid-up Capital	18,500

Shareholding Pattern

Particulars	No. of Shares	% of Total Shares
Mr. Gopal Bansal	11,000	59.46%
Mrs. Sunita Bansal	1,000	5.41%
Mr. Ashok Kumar Bansal	1,000	5.41%
Mrs. Kusum Bansal	1,000	5.41%
Mr. Subhash Chand Bansal	1,000	5.41%
Mrs. Santosh Devi Bansal	800	4.32%
Mrs. Kripa Devi Bansal	800	4.32%
Mrs. Manju Devi Bansal	800	4.32%
Subhash Chand Bansal HUF	600	3.24%
Ashok Kumar Bansal HUF	500	2.70%
Total	18,500	100.00%



Financial Performance

The brief financial details of FFPL derived from its Audited Financial Statements, for Fiscals 2016, 2015 & 2014 are set forth below

Particulars	As at March, 31		
	2016	2015	2014
Equity Share Capital (F. V. ₹ 10/-)	1,85,000	1,85,000	1,85,000
Reserves (excluding revaluation reserve) and Surplus	64,42,694	64,40,528	64,38,813
Net Worth	66,27,694	66,25,528	66,23,813
Income including other income	94,800	89,650	87,435
Profit/ (Loss) after tax	2,166	1,715	1,331
Earnings per share (face value of ₹ 10 each)	0.12	0.09	0.07
Net asset value per share	358.25	358.14	358.04

Other disclosures:

- The equity shares of FFPL are not listed on any stock exchange;
- FFPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further FFPL 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 FFPL;
- FFPL 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. RG FINSEC PRIVATE LIMITED ("RGFPL")

Corporate Information

RGFPL was incorporated under the Companies Act, 2013 as RG Finsec Private Limited on April 23, 2015 in the state of Delhi. Its registered office is situated at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector – 14, Rohini New Delhi,-110085. The CIN no. of the Company is U65100DL2015PTC279420. The main objects are as follows

1. To lend and advance money and assets of all kinds or give credit on any terms or mode and with or without security to any individual, firm, body corporate or any other entity (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company whether or not associated in any way with, the company), to enter into guarantees, contracts of indemnity and surety ship of all kinds, to receive money on deposits or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company
2. To purchase or acquire, hold, trade, deal and further to dispose of any right, stake or contingent interest in the shares, stocks, debentures, debenture stock, bonds, all commodities and commodity derivatives, currency including their derivatives and F & O or securities of companies or partnership firms either singly or jointly with any other person(s), body corporate or partnership firm carrying out or proposing to carry out any activity in India or in any other part of the world.
3. To carry on the business as ginners, spinners, weavers, dyers, processors, knitters, importers, exporters, traders, distributors, stockiest, buyers, sellers, agents or merchants in all kinds of textile products and garments made from cotton, wool, silk, flax, jute, asbestos, glass fibre, nylon, polyester, acrylic, or any other natural and non-natural fabrics, fibres including plant, animal and mineral sources, in all kinds and forms of agricultural commodities including cereals, pulses, fibres, spices, Oil, Oil seeds, plantation products and any other agriculture based commodities and in all kinds and forms of steel including mild, high carbon, spring, high speed, tool, alloy, stainless and special steels, iron, minerals, metals and alloy ingots, and all types of electronic goods and general goods.



Board of Directors

- Mr. Gopal Bansal
- Ms. Rachna Bhasin

Capital Structure

Particulars	No. of Equity Shares of ₹ 10 each
Authorised Capital	22,50,000
Issued, Subscribed and Paid-up Capital	10,000

Shareholding Pattern

Particulars	No. of Shares	% of Total Shares
Mr. Gopal Bansal	5,000	50.00%
Ms. Rachna Bhasin	5,000	50.00%
Total	10,000	100.00%

Financial Performance

The brief financial details of RGFPL derived from its Audited Financial Statements for Fiscals 2016 are set forth below

Particulars	As at March 31, 2016
Equity Share Capital (F. V. ₹ 10/-)	1,00,000
Reserves (excluding revaluation reserve) and Surplus	-
Net Worth	1,00,000
Income including other income	-
Profit/ (Loss) after tax	-
Earnings per share (face value of ₹ 10 each)	-
Net asset value per share	10.00

Other disclosures:

- The equity shares of RGFPL are not listed on any stock exchange;
- RGFPL 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 RGFPL;
- RGFPL 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 initiated for economic offences against the Company.

3. IFL Housing Finance Limited (“IFLHFL”)

Corporate Information

IFLHFL was incorporated under the Companies Act, 2013 as IFL Housing Finance Limited on September 17, 2016 in the state of Delhi, Its registered office is situated at D-16, First Floor, Above ICICI Bank, Prashant Vihar, New Delhi, - 110085. The CIN no. of the Company is U65910DL2015PLC285284. The main objects are as follow

- To carry on the business of providing short term/ long term finance to any person(s), company(ies) or corporation(s), society(ies) or association(s) jointly or individually enabling such borrowers to construct or purchase any building(s) or house(s) or flat(s) or any part thereof for residential/ commercial purposes, upon such security and such terms and conditions as the company may deem fit, including affordable housing finance AND also, to provide short term/ long term finance to persons engaged in the business of construction of building(s) or house(s) or flat(s) for residential/ commercial purposes to be sold by them upon such terms and conditions as the company may deem fit and proper.



- To provide financial assistance, with or without interest, (with or without security) for any maturity, in any form whatsoever, to any persons or persons (whether individuals, firms, companies, bodies corporate, public body or authority, supreme, local or other entities), whether in the private or public sector, to purchase or acquire houses, building, offices, godowns, warehouses, flats or to purchase any freehold or leasehold or any lands, estate or interest in or to take a demise for any term or terms of years of any land and property or to construct, erect, improve, extend, alter, renovate, develop or repair any house or building or any form of real estate or any part or portion thereof.
- To provide financial assistance, with or without interest (with or without security) for any maturity, in any form whatsoever, to any person or persons (whether individuals, firms, companies, bodies corporate, public body or authority, supreme, local or otherwise or other entities), whether in the private or public sectors engaged in the manufacture of building materials as well as construction equipment and machinery.

To securities, purchase, acquire, invest in, transfer, sell, dispose of or trade in any financial asset whatsoever, receivables, debts, whether unsecured or secured by mortgage of immovable or charge on movables or otherwise, securitized debts, asset or mortgage backed securities or securitized debts and to manage, service or collect the same and to appoint managing, servicing or collection agent thereof or therefore and to issue certificates or the instrument in respect thereof to public or private investors and to guarantee and insure the due payment, fulfillment and performance of obligations in respect thereof or in connection therewith and to promote, establish, undertake, organize, manage, hold or dispose of any special purpose entity, body corporate or vehicle for carrying on all or any such activities.

To promote, organize, manage, and undertake trading, marketing, distribution of, or otherwise dealing in any or all financial Products/assets and services, offered by individuals, partnership firms, companies, banks, public sector undertakings, institutions, financial institutions, mutual funds, foreign institutional investors, venture funds, firms, Trusts, societies, corporations, Central Government, State Governments, quasi- government agencies or anybody (whether incorporated or not) in India or elsewhere, through its branches, or through facilities for conducting remote financial transactions (Including by means of electronic or computer or automated machines network or other means or telecommunication including telephone), including foreign exchange or commodities or securities i.e. shares, scrips, stocks, bonds, derivatives, warrants, debentures, fixed return investments, equity linked investments or participation certificates, participation units, debts whether unsecured or secured by mortgage of immovable or charge on units, debts whether unsecured or secured by mortgage of movables or charge on movables or otherwise, securitized debts, assets or mortgaged backed securities or any other securities/ instruments, issued by any company or body (whether incorporated or not) in India or elsewhere, negotiable instruments including usance bills of exchange, hundies, promissory notes, deposits and other indicates, or consumer and personal finance, fund management products (pensions) insurance products and annuities, or as agents of persons undertaking provision of such products and services.

Board of Directors

- Mrs. Sunita Bansal,
- Ms. Nidhi Bansal
- Mr. Gaurav Suri

Capital Structure

Particulars	No. of Equity Shares of ₹ 10 each
Authorised Capital	1,10,00,000
Issued, Subscribed and Paid-up Capital	50,000

Shareholding Pattern

Particulars	No. of Shares	% of Total Shares
India Finsec Limited	49,940	99.88%
Mr. Gopal Bansal	10	0.02%
Mrs. Sunita Bansal	10	0.02%
Mr. Gaurav Suri	10	0.02%
Mr. Basant Mittal	10	0.02%
Ms. Charu Goyal	10	0.02%



Particulars	No. of Shares	% of Total Shares
Mr. Mukesh Sharma	10	0.02%
Total	50,000	100.00%

Financial Performance

The brief financial details of IFLHFL derived from its Audited Financial Statements, for Fiscals 2016 are set forth below

Particulars	As at March 31, 2016
Equity Share Capital (F. V. ₹ 10/-)	5,00,000
Reserves (excluding revaluation reserve) and Surplus	538
Net Worth	5,00,538
Income including other income	14,200
Profit/ (Loss) after tax	538
Earnings per share (face value of ₹ 10 each)	0.01
Net asset value per share	10.01

Other disclosures:

- The equity shares of IFLHFL are not listed on any stock exchange;
- IFLHFL 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 IFLHFL;
- IFLHFL 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.

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 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 XXI - Related Party Transactions*” beginning on page no. 124 of this 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

Our Group Companies i.e, India Finsec Limited and RG Finsec Private Limited have been authorised by its respective Memorandum of Associations to undertake activities which are similar to ours and are currently engaged in businesses similar to ours.

Our Company has not adopted any measures for mitigating such conflict situations. However, it is being proposed to acquire substantial stake in this company and make it our subsidiary in the near future



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 XXI - Related Party Transactions*” on page no. 124 of this 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 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. 141 of this Prospectus.

Other Confirmations

Our Group Companies have further confirmed that they have not been declared as willful 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. 9, 103 and 141 of this 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. 9, 103 and 141 of this Prospectus, respectively.



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 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 STATEMENT

REPORT OF THE AUDITORS ON FINANCIAL STATEMENTS

To,
The Board of Directors,
IFL Enterprises Limited
CIN: U67100DL2009PLC186958
D-16, 1st Floor,
Prashant Vihar, Sector-14,
Rohini, New Delhi- 110085.

1. We have examined the Restated Financial Statements and Other Financial Information of IFL Enterprises Limited (the 'Company') for each of the five financial years ended March 31, 2012, 2013, 2014, 2015, 2016 and 6 months period ended as on September 30, 2016 based on the audited financial statements of the Company. The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the Draft Red Herring Prospectus / Red Herring 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;
2. We have examined such Restated Financial Statements taking into consideration
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated October 18, 2016 in connection with the proposed IPO of the Company and;
 - b. The Guidance Note (Revised) on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India, and;
 - c. The applicable regulation of SEBI (ICDR) Regulations, 2009, as amended, and as per Schedule VIII (Part A) (2) (IX) of the said Regulations.
3. We have examined the accompanied Restated Statement of Profit and Loss (Annexure-II) for the year ended on 31st March 2016, 2015, 2014, 2013 and 2012 and 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 Account (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 September 2016 and for the financial year ended on 31st March 2016, audited by us, for the financial year ended on 31st March 2015, 2014, audited by M/s. Ajay Aaditya & Co., for the financial year ended on 31st March 2013 audited by M/s. Anil Hariram Gupta & Co., for the financial year ended on 31st March 2012, audited by M/s. Vinod Kumar Bansal & Associates, Chartered Accountants, being the Statutory Auditors of the Company for the respective years, which have been approved by Board of directors at their meetings held on 25th October 2016. 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..
4. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of IFL Enterprises 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.

5. Based on our examination, we further report that:

- a. The Restated Statement of Assets and Liabilities of the Company as at September 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 six month period ended September 30, 2016 and for the 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 six month period ended September 30, 2016 and for the 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 :
 - i. 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.
 - ii. 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 :
 - i. other remarks/comments in the Companies (Auditor's Report) Order ("the Order"), as amended, issued by the Central Government of India from time to time in terms of sub - section (4A) of section 227 of the Companies Act 1956 and sub section (11) of section 143 of the Companies Act 2013, as the case may be, on financial statements of the company as at and for the six months period ended September 30, 2016 and as at and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012.
 - ii. extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.

6. 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:

- i) Schedule of Share Capital (Annexure - VI)
- ii) Schedule of Reserves & Surplus (Annexure - VII)
- iii) Schedule of Fixed Assets (Annexure - VIII)
- iv) Schedule of Non Current Investments (Annexure – IX)
- v) Details of Other Non Current Assets (Annexure – X)
- vi) Schedule of Current Investments (Annexure – XI)
- vii) Statement of Inventories (Annexure – XII)
- viii) Statement of Trade Receivables (Annexure - XIII)
- ix) Details of Short Term Loans and Advances (Annexure – XIV)
- x) Statement of Short Term Borrowings (Annexure – XV)
- xi) Schedule of Trade Payables (Annexure – XVI)
- xii) Schedule of Other Current Liabilities (Annexure – XVII)
- xiii) Schedule of Short Term Provisions (Annexure – XVIII)
- xiv) Schedule of Revenue From Operations (Annexure – XIX)
- xv) Schedule of Other Income (Annexure – XX)



- xvi) Schedule of Related Party Transactions (Annexure – XXI)
- xvii) Capitalization Statement (Annexure – XXII)
- xviii) Schedule of Contingent Liability (Annexure – XXIII)
- xix) Summary of Accounting Ratios (Annexure – XXIV)
- xx) Statement of Tax Shelter (Annexure – XXV)
- xxi) Statement of Segment Report (Annexure- XXVI)

7. 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.

8. 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.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. 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: New Delhi
Date: November 15, 2016



Annexure I
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30,2016	As at March 31,				
		2016	2015	2014	2013	2012
EQUITY AND LIABILITIES						
Shareholder's fund						
a) Share Capital	110.09	110.09	6.78	6.78	6.78	6.78
b) Reserves and surplus	199.32	190.00	225.33	225.30	225.28	225.25
Total Shareholders Fund	309.41	300.09	232.11	232.08	232.05	232.03
Non-current liabilities						
b) Deferred Tax Liabilities (Net)	0.26	0.23	-	-	-	-
Total	0.26	0.23	-	-	-	-
Current liabilities						
a) Short-term borrowings	261.00	-	-	-	-	-
b) Trade payables	-	-	-	5.69	-	-
c) Other current liabilities	3.46	5.42	175.56	0.06	0.05	0.05
d) Short Term Provisions	9.70	5.56	0.01	0.01	0.01	0.01
Total	274.16	10.98	175.57	5.76	0.06	0.06
TOTAL	583.83	311.30	407.68	237.83	232.11	232.09
ASSETS						
Non - Current Assets						
a) Fixed Assets						
i) Tangible assets	11.84	3.80	-	-	-	-
ii) Intangible assets	-	-	-	-	-	-
b) Non-Current Investments	195.06	194.13	-	-	-	-
d) Other Non Current Assets	-	-	-	-	0.04	0.11
Total	206.90	197.92	-	-	0.04	0.11
Current Assets						
a) Current Investments	0.35	26.33	225.00	10.00	10.00	31.00
b) Inventories	109.92	4.80	4.80	-	-	-
c) Trade Receivables	164.32	9.20	-	5.89	-	-
d) Cash and Cash Equivalents	62.99	20.48	13.36	1.19	3.37	3.58
e) Short Term Loans & Advances	39.35	52.56	164.52	220.75	218.70	197.40
Total	376.93	113.37	407.68	237.83	232.07	231.98
TOTAL	583.83	311.30	407.68	237.83	232.11	232.09



Annexure II
STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the Period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
REVENUE:						
Revenue from Operations	185.67	33.76	6.74	5.89	-	-
Other Income	0.10	5.46	1.21	2.37	2.40	3.02
Total revenue	185.77	39.22	7.95	8.26	2.40	3.02
EXPENSES:						
Employee benefit expenses	10.04	8.92	1.07	2.13	2.04	2.65
Purchases of stock in trade	259.66	-	11.41	5.69	-	-
Changes in inventories	(105.11)	-	(4.80)	-	-	-
Finance costs	-	-	-	-	-	-
Depreciation and amortization expense	0.98	1.32	-	-	-	-
Administration Expenses	5.63	10.26	0.22	0.41	0.33	0.35
Loss on Sale of Investment	1.09	-	-	-	-	-
Total expenses	172.29	20.49	7.90	8.23	2.37	3.00
Net Profit / (Loss) before Tax	13.48	18.73	0.05	0.03	0.03	0.02
Less: Provision for Tax						
Current tax	4.14	5.56	0.01	0.01	0.01	0.01
Deferred tax	0.03	0.23	-	-	-	-
Total Tax	4.17	5.79	0.01	0.02	0.01	0.01
Net Profit / (Loss) for the period after tax but before extra ordinary items	9.32	12.94	0.04	0.02	0.02	0.01
Extraordinary Items	-	-	-	-	-	-
Net Profit / (Loss) for the period after tax and after extra ordinary items available for appropriation	9.32	12.94	0.04	0.02	0.02	0.01
Less : Proposed Dividend	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-
Net Profit transferred to Reserves	9.32	12.94	0.03	0.02	0.02	0.01



Annexure III
CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Cash Flow From Operating Activities						
Net Profit Before Tax	13.48	18.73	0.04	0.04	0.03	0.02
Adjustments for :						
Depreciation/Amortisation	0.98	1.32	-	-	-	-
Loss/ (Profit) on sale on investments	1.09	(5.46)	-	-	-	-
Deferred Revenue exp written off	-	-	-	0.04	0.07	0.07
Operating Profit Before Working Capital Adjustment	15.55	14.59	0.04	0.08	0.10	0.09
Adjustment for Changes in Working Capital						
Adjusted for (Increase)/ Decrease in:						
Trade Receivables	(155.12)	(9.20)	5.89	(5.89)	-	-
Inventories	(105.11)	-	(4.80)	-	-	-
Short Term Loans and Advances	13.21	114.40	56.22	(2.05)	(21.30)	(194.40)
Other Current Assets	-	-	-	-	-	-
Short Term Borrowings	261.00	-	-	-	-	-
Trade Payables	-	-	(5.69)	5.69	-	0.03
Current Liabilities	(1.96)	(170.14)	175.50	0.01	-	-
Cash Flow Generated from Operations	27.57	(50.35)	227.18	(2.17)	(21.20)	(194.29)
Less: Income Tax Paid	-	2.46	0.01	0.01	0.01	0.00
Net Cash flow from Operating Activities (A)	27.57	(52.81)	227.16	(2.18)	(21.21)	(194.29)
Cash Flow From Investing Activities						
Purchase of Fixed Assets	(9.01)	(5.11)	-	-	-	-
Sale/(Purchase) of investments	25.04	10.00	(215.00)		21.00	192.00
Net Cash Flow from/(used in) Investing Activities (B)	14.94	4.89	(215.00)	-	21.00	192.00
Cash Flow From Financing Activities						
Proceeds From Share Capital	-	55.05	-	-	-	-
Net Cash Flow from Financing Activities (C)	-	55.05	-	-	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	42.51	7.12	12.16	(2.18)	(0.21)	(2.29)
Cash & Cash equivalent at the beginning of the year	20.48	13.36	1.19	3.37	3.58	5.87
Cash & Cash Equivalent at the end of the year	62.99	20.48	13.36	1.19	3.37	3.58



Annexure IV

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

The financial statements have been prepared on accrual basis and under the historical cost convention. The accounting policies not specifically referred, are consistently applied from the past accounting period.

B. Change in Accounting Policy

Accounting Principles unless specifically stated to be otherwise are consistent and are in accordance with generally accepted accounting principles.

C. Revenue Recognition

Having regard to the size, nature and level of operation of the business, the company is applying accrual basis of accounting for recognition of income earned and expenses incurred in the normal course of business.

D. Fixed Assets

Fixed Assets are shown at Historical cost as reduced by accumulated depreciation thereon. Cost of fixed assets includes cost of purchase and/or construction as increased by necessary expenditure incurred to make them ready for use in the business.

E. Inventories

Inventories including investments in shares of other companies held for sale in the ordinary course of business. Valuation of them has been made at cost.

F. Depreciation

The company is charging depreciation on Fixed Assets as per written down value method over estimated useful lives of the assets considering the guidelines of Part C of Schedule II to the Companies Act, 2013.

G. Investment

Investments including current and non-current as stated at cost. Provision for diminution in the value of investments is made only if such a decline is of permanent nature.

H. Cash and cash equivalent

In cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

I. Taxes on Income

Income Tax is accounted for in accordance with AS-22 on Accounting for taxes on Income issued by the ICAI. Tax expense comprises current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between the taxable income for the period and reversal of timing differences of earlier years/period. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

J. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

K. There are no Auditor's Qualifications in any of the audited Financial Statements as at and for the years ended on March 31, 2016, 2015, 2014, 2013 and 2012 and for the six months ended September 30, 2016.

Annexure V

NOTES TO ACCOUNTS

1. Managerial Remuneration

(₹ in lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
<i>Whole Time Directors Remuneration</i>						
Salaries and Allowances	0.30	0.30	-	-	-	-
Other Fees	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-
<i>Non Whole Time Directors Remuneration</i>						
Sitting Fees	-	-	-	-	-	-
Total	0.30	0.30	-	-	-	-

2. Deferred Tax

(₹ in lakhs)

Particulars	For the period ended September 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	0.23	-	-	-	-	-
Depreciation	0.03	0.23	-	-	-	-
Total (a)	0.26	0.23	-	-	-	-

3. Remuneration to Statutory Auditors:

(₹ in lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Statutory Audit Fees	-	0.20	0.06	0.05	0.05	0.05
Tax Audit Fees	-	-	-	-	-	-
Total	-	0.20	0.06	0.05	0.05	0.05



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 September 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 of Companies Act, 2013 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 – Liabilities

F.Y. 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 & For the period ended 30th September 2016

Certain items of Liabilities were classified as Trade Payables. The same have been restated to conform to latest accounting treatment i.e. included as Other Current Liabilities. Accordingly, the balance of Trade Payables and Other Current Liabilities have been restated.

(₹ in lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Trade Payables as per audited Financial Statements	3.46	5.42	175.56	5.74	0.05	0.05
Less: Amount reclassified as Long term Loans and Advances	3.46	5.42	175.56	0.06	0.05	0.05
Trade Payables as per Restated Financial Statements	-	-	-	5.69	-	-

Regrouping done in Balance Sheet – Assets

F.Y 2014-15

Certain items of Assets were classified as Non Current Investments. The same have been restated to conform to latest accounting treatment i.e. included as Current Investments. Accordingly, the balance of Non Current Investments and Current Investments has been restated.

(₹ in lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Non-current investment as per audited Financial Statements	195.42	220.46	225.00	-	-	-
Less: Amount reclassified as Current Investments	0.35	26.33	225.00	-	-	-
Non-current investment as per Restated Financial Statements	195.07	194.13	-	-	-	-



Annexure VI
STATEMENT OF SHARE CAPITAL, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Authorised Share Capital :						
31,00,000 Equity Shares of ₹ 10/- each	310.00	310.00	-	-	-	-
9,00,000 Equity Shares of ₹ 1/- each	-	-	9.00	9.00	9.00	9.00
Total	310.00	310.00	9.00	9.00	9.00	9.00
Issued Subscribed and Fully Paid Up Capital :						
11,00,938 Equity Shares of Rs.10/- each fully paid up	110.09	110.09	-	-	-	-
6,77,500 Equity Shares of Rs.1/- each fully paid up	-	-	6.78	6.78	6.78	6.78
Total	110.09	110.09	6.78	6.78	6.78	6.78

Reconciliation of number of shares outstanding at the end of year:

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Equity Shares						
Equity shares at the beginning of the year of ₹ 1/- each	-	-	677,500	677,500	677,500	677,500
Equity Shares of ₹ 10/- *	1,100,938	67,750	-	-	-	-
Add: Bonus Shares issued during the year (ratio = 12:1)	-	813,000	-	-	-	-
Add: Right Issue (ratio = 1:4)	-	220,188	-	-	-	-
Equity Shares at the end of the year	1,100,938	1,100,938	677,500	677,500	677,500	677,500

*The Equity Shares have been consolidated during the FY 2015-16 from ₹ 1/- per share to ₹ 10/- per share

Annexure VII
STATEMENT OF RESERVES AND SURPLUS

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Profit & Loss A/c						
Opening Balance	13.04	0.10	0.06	0.04	0.03	0.01
Add / (Less): Changes during the year						
Add: Profit After Tax	9.32	12.94	0.04	0.02	0.02	0.01
Total (a)	22.36	13.04	0.10	0.06	0.04	0.02
Security Premium						
Opening Balance	176.95	225.23	225.23	225.23	225.23	225.23
Add / (Less):						
Add: Premium on share capital		33.03	-	-	-	-
Less: Utilized/transfer during the period	-	81.30	-	-	-	-
Total (b)	176.95	176.95	225.23	225.23	225.23	225.23
Total (a+b)	199.32	190.00	225.33	225.29	225.27	225.25



Annexure VIII
STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
FURNITURE & FIXTURE						
Opening Balance	2.02	-	-	-	-	-
Addition during the year	2.81	2.02	-	-	-	-
Reduction during the year	-	-	-	-	-	-
Accumulated Depreciation	0.53	0.29	-	-	-	-
Closing Balance	4.30	1.73	-	-	-	-
COMPUTER						
Opening Balance	3.10	-	-	-	-	-
Addition during the year	-	3.10	-	-	-	-
Reduction during the year	-	-	-	-	-	-
Accumulated Depreciation	1.70	1.03	-	-	-	-
Closing Balance	1.40	2.07	-	-	-	-
GENERATOR						
Opening Balance	-	-	-	-	-	-
Addition during the year	5.57	-	-	-	-	-
Reduction during the year	-	-	-	-	-	-
Accumulated Depreciation	0.04	-	-	-	-	-
Closing Balance	5.53	-	-	-	-	-
SCOOTY						
Opening Balance	-	-	-	-	-	-
Addition during the year	0.63	-	-	-	-	-
Reduction during the year	-	-	-	-	-	-
Accumulated Depreciation	0.02	-	-	-	-	-
Closing Balance	0.61	-	-	-	-	-
Tangible Gross Block	14.13	5.11	-	-	-	-
Total Accumulated Depreciation	2.29	1.32	-	-	-	-
Net Block	11.84	3.80	-	-	-	-

Annexure IX
STATEMENT OF NON CURRENT INVESTMENTS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Investment in Bonds						
10.05% Axis Bank Ltd. 2016 (2 unit)	-	20.90	-	-	-	-
9.48% Bank of Maharashtra (5 Unit)	53.04	-	-	-	-	-
9.48% Bank of Maharashtra (17 Unit)	-	173.22	-	-	-	-
9.30% in DHFL	120.24	-	-	-	-	-
11.50% in IL&FS Transportation Network Ltd (2 Unit)	21.78	-	-	-	-	-
Total	195.42	220.46	-	-	-	-



Annexure X
STATEMENT OF OTHER NON CURRENT ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Preliminary and Deferred Revenue Expenditure	-	-	-	-	0.04	0.11
Total	-	-	-	-	0.04	0.11

Annexure XI
STATEMENT OF CURRENT INVESTMENTS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Investment in unquoted equity shares	-	-	-	-	-	-
-Daisy Distributors Pvt Ltd	-	-	-	-	-	21.00
-Dynosore Leasing & Holding Pvt Ltd	-	-	-	-	-	10.00
Investment in quoted equity shares	-	-	-	-	-	-
-India Finsec Limited	-	-	10.00	10.00	10.00	-
-Stellar Capital Services Limited	0.35	26.33	215.00	-	-	-
Total	0.35	26.33	225.00	10.00	10.00	31.00

The aggregate market value of the quoted shares as on September 30, 2016 and March 31, 2016 is ₹ 0.30 lakhs and ₹ 21.56 lakhs respectively.

Annexure XII
STATEMENT OF INVENTORIES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Closing inventories						
- Shares	-	4.80	4.80	-	-	-
- Cotton Fabrics	30.15	-	-	-	-	-
- Cotton Twill	38.41	-	-	-	-	-
- Grey Cloth	41.36	-	-	-	-	-
Total	109.92	4.80	4.80	-	-	-

Annexure XIII
STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Unsecured, considered good						
More than six months	-	-	-	-	-	-
Others	164.32	9.20	-	5.89	-	-
Total	164.32	9.20	-	5.89	-	-



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

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Advances recoverable in cash or kind	35.00	50.00	164.40	220.28	218.16	197.10
Balance with Revenue Authorities	4.35	2.56	0.12	0.47	0.54	0.30
Total	39.35	52.56	164.52	220.75	218.70	197.40

Annexure XV
STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Unsecured Loan						
- From Others (Corporates)	261.00	-	-	-	-	-
Total	261.00	-	-	-	-	-

* The aforementioned loans of ₹ 261.00 lakhs are unsecured loans taken from corporate entities and are repayable on demand.

Annexure XVI
STATEMENT OF TRADE PAYABLES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Sundry Creditors	-	-	-	5.69	-	-
Total	-	-	-	5.69	-	-

Annexure XVII
STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Audit fee payable	0.20	0.20	0.06	0.06	0.05	0.05
Director Remuneration Payable	0.30	0.30	-	-	-	-
Salary Payable	1.66	0.96	-	-	-	-
Rent Payable	1.10	-	-	-	-	-
Statutory Dues Payable	0.21	3.96	-	-	-	-
Advance on share purchase now Returnable	-	-	175.50	-	-	-
Total	3.46	5.42	175.56	0.06	0.05	0.05



Annexure XVIII
STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Provision for income tax	9.70	5.56	0.01	0.01	0.01	0.01
Total	9.70	5.56	0.01	0.01	0.01	0.01

Annexure XIX
STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Sale of Products						
Fabrics	159.22	-	6.74	5.89	-	-
Shares & Securities	5.40	-	-	-	-	-
Services						
Professional Service	21.05	33.76	-	-	-	-
Total	185.67	33.76	6.74	5.89	-	-

Annexure XX
STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in Lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Other income						
Interest on Unsecured Loan	0.10	-	1.19	2.36	2.40	3.02
Interest on Income Tax Refund	-	0.00	0.02	0.02	-	-
Profit on Sale of Investment	-	5.46				
Total	0.10	5.46	1.21	2.37	2.40	3.02

Annexure XXI
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) Holding Company

For the period ended September 30, 2016	For the year ended March 31,				
	2016	2015	2014	2013	2012
India Finsec Limited	India Finsec Limited	-	-	-	-



(ii) Key Managerial Personnel

For the period ended September 30, 2016	For the year ended March 31,				
	2016	2015	2014	2013	2012
Gopal Bansal	Gopal Bansal	Naveen K. Gupta	Naveen K. Gupta	Naveen K. Gupta	Sandeep Gaur
Charu Goyal	Charu Goyal	Ganesh P. Gupta	Sandeep Gaur	Sandeep Gaur	Mukesh Sharma
Mukesh Sharma	Mukesh Sharma	Sandeep Gaur	-	Mukesh Sharma	-
Yogesh Kumar	Yogesh Kumar	Yogesh Kumar	-	-	-
Ganesh P. Gupta	Ganesh P. Gupta	-	-	-	-

(iii) Relatives of KMPs

For the period ended September 30, 2016	For the year ended March 31,				
	2016	2015	2014	2013	2012
Sunita Bansal	Sunita Bansal	-	-	-	-

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

For the period ended September 30, 2016	For the year ended March 31,				
	2016	2015	2014	2013	2012
Gopal Bansal HUF	Gopal Bansal HUF	-	-	-	-

(v) Particulars of Transactions with Related Parties

Holding Company

(₹ in lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Allotment of Equity Shares : 2,20,188 as Right Issue 2,60,975 as Bonus Issue	-	55.05	-	-	-	-

Key Management Personnel

(₹ in lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
1) Expenses						
Remuneration	0.30	0.30	-	-	-	-



Relatives of KMPs

(₹ in lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
1) Expenses						
Rent paid	0.60	0.60	-	-	-	-

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

(₹ in lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
1) Expenses						
Rent paid	-	0.60	-	-	-	-

Annexure XXII

STATEMENT OF CAPITALIZATION

(₹ in lakhs)

Particular	Pre Issue (as at September 30, 2016)	Post Issue
Debt		
Long Term Debt	-	-
Short Term Debt	261.00	-
Total Debts (A)	261.00	-
Equity (Shareholder's funds)		
Equity share capital	110.09	300.21
Reserve and Surplus	199.32	334.40
Total Equity (B)	309.41	634.61
Long Term Debt / Equity Shareholder's funds	-	-
Total Debts / Equity Shareholder's funds	0.84	-

Note:

- The above has been computed on the basis of Restated Financials of the Company after considering bonus issue of 2,75,234 Equity shares of ₹10 each, made on 25th October 2016.

Annexure XXIII

STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at September 30, 2016	As at March 31,				
		2016	2015	2014	2013	2012
Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil



Annexure XXIV
STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in Lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Restated PAT as per P & L Account	9.32	12.94	0.03	0.03	0.02	0.01
Actual Number of Equity Shares outstanding at the end of the year	11,00,938	11,00,938	6,77,500	6,77,500	6,77,500	6,77,500
Equivalent Weighted Average number of Equity Shares at the end of the year	13,76,172	11,68,581	11,67,980	11,67,980	11,67,980	11,67,980
Share Capital	110.09	110.09	6.78	6.78	6.78	6.78
Reserves & Surplus	199.32	190.00	225.33	225.30	225.28	225.25
Misc. Expenses not w/off	-	-	-	-	0.04	0.11
Net Worth	309.41	300.09	232.11	232.08	232.01	231.92
Earnings Per Share:						
Basic & Diluted	0.6772	1.1073	0.0034	0.0017	0.0017	0.0009
Return on Net Worth (%)	3.01%	4.31%	0.01%	0.01%	0.01%	0.01%
Net Asset Value Per Share (Rs) - based on actual no. of equity shares at the end of the year	28.10	27.26	34.26	34.25	34.25	34.23
Nominal Value per Equity share (₹)	10.00	10.00	1.00	1.00	1.00	1.00

Notes on Accounting Ratios:

1. The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.
2. Basic EPS is being calculated by using the formula: (Net Profit after excluding Extra-ordinary items /Equivalent Weighted Average No. of outstanding shares)
3. Net Asset Value is being calculated by using the formula: (Net Worth /Actual Number of Equity Shares at year end)
4. Return on Net worth is being calculated by using the formula: (Profit after Tax / Net worth)
5. Net Tangible Assets comprises Net Fixed Assets and Net Working Capital and Bonus issue made on 25th October, 2016.

Other Notes:

1. There is no revaluation reserve in last five years in our company
2. As there is no dilutive capital in the company, Basic and Diluted EPS are similar.
3. Weighted Average No. of Equity Shares are calculated after giving effect for Bonus and Rights Issue in FY 2015-16 and Bonus issue made on 25th October, 2016.



Annexure XXV
STATEMENT OF TAX SHELTER

(₹ in Lakhs)

Particulars	For the period ended September 30, 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
Tax Rates						
Income Tax Rate (%)	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Minimum Alternate Tax Rate (%)	19.06%	19.06%	19.06%	19.06%	19.06%	19.06%
Long Term Capital Gain Rate (%)	-	10.30%	-	-	-	-
Restated Income before tax as per books (A)	13.48	18.72	0.04	0.03	0.03	0.02
Incomes considered separately						
Long term capital gains/(Loss)	(1.09)	5.46	-	-	-	-
Total Incomes considered separately (B)	(1.09)	5.46	-	-	-	-
Restated Profit other than income considered separately (C)=(A-B)	14.57	13.26	0.04	0.03	0.03	0.02
Tax Adjustment						
Permanent Differences						
Fees paid for SH-7	-	3.73	-	-	-	-
Total Permanent Differences (D)		3.73	-	-	-	-
Timing Differences						
Book Depreciation	0.98	1.32	-	-	-	-
Income Tax Depreciation allowance	(1.07)	(2.06)	-	-	-	-
Total Timing Differences (E)	(0.09)	(0.74)	-	-	-	-
Income From Business or Profession (F)=(C+D+E)	14.48	16.25	0.04	0.04	0.03	0.02
Income From Capital Gains (G)	-	5.46	-	-	-	-
Taxable Income/(Loss) (F+G)	14.48	21.71	0.04	0.03	0.03	0.02
Tax on Business Income	4.48	5.02	0.01	0.01	0.01	0.01
Tax on Long Term Capital Gain	-	0.56	-	-	-	-
Total Tax	4.48	5.58	0.01	0.01	0.01	0.01
MAT on Book Profit	2.57	3.57	0.01	0.01	0.01	0.00
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal	Normal	Normal
Total Tax as per Return	-	5.58	0.01	0.01	0.01	0.01
Diff	-	(0.00)	0.00	(0.00)	0.00	0.00

Notes:

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



Annexure XXVI
STATEMENT SHOWING SEGMENTAL REPORT

(₹ in Lakhs)

Sr. No	Particulars	For the period ended September 30, 2016
1	Segment Revenue	
	Trading of fabrics and textile material	159.22
	Investment and Advisory Services	26.45
	Net Sales/ Income from Operations	185.67
2	Segment Results	
	Trading of fabrics and textile material	6.30
	Investment and Advisory Services	25.25
	Segment Results	31.55
	Less: i) Interest expense	-
	ii) Other Un-allocable Expenditure/ (Income) net	18.07
	Profit/ (loss) after finance cost but before exceptional items	13.48
Exceptional Items	-	
	Total Profit/ (Loss) before tax	13.48
3	Segment Assets	
	Trading of fabrics and textile material	274.23
	Investment and Advisory Services	195.42
	Unallocated	114.18
	Total Assets	583.83
4	Segment Liabilities	
	Trading of fabrics and textile material	261.00
	Investment and Advisory Services	-
	Unallocated	13.16
	Total Liabilities	274.16

Note: The Company is operating two segments (i.e. business of trading in fabric and textile material and advisory services), only in the financial year 2016-17 and hence the segmental report is prepared only for the aforesaid period.

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There has been no change in the Accounting Policies in the last three (3) years.

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 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

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

The financial statements have been prepared on accrual basis and under the historical cost convention. The accounting policies not specifically referred, are consistently applied from the past accounting period.

B. Change in Accounting Policy

Accounting Principles unless specifically stated to be otherwise are consistent and are in accordance with generally accepted accounting principles.

C. Revenue Recognition

Having regard to the size, nature and level of operation of the business, the company is applying accrual basis of accounting for recognition of income earned and expenses incurred in the normal course of business.

D. Fixed Assets

Fixed Assets are shown at Historical cost as reduced by accumulated depreciation thereon. Cost of fixed assets includes cost of purchase and/or construction as increased by necessary expenditure incurred to make them ready for use in the business.

E. Inventories

Inventories including investments in shares of other companies held for sale in the ordinary course of business. Valuation of them has been made at cost.

F. Depreciation

The company is charging depreciation on Fixed Assets as per written down value method over estimated useful lives of the assets considering the guidelines of Part C of Schedule II to the Companies Act, 2013.

G. Investment

Investments including current and non-current as stated at cost. Provision for diminution in the value of investments is made only if such a decline is of permanent nature.



H. Cash and cash equivalent

In cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

I. Taxes on Income

Income Tax is accounted for in accordance with AS-22 on Accounting for taxes on Income issued by the ICAI. Tax expense comprises current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between the taxable income for the period and reversal of timing differences of earlier years/period. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

J. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

- L. There are no Auditor's Qualifications in any of the audited Financial Statements as at and for the years ended on March 31, 2016, 2015, 2014, 2013 and 2012 and for the six months ended September 30, 2016.

Business Overview

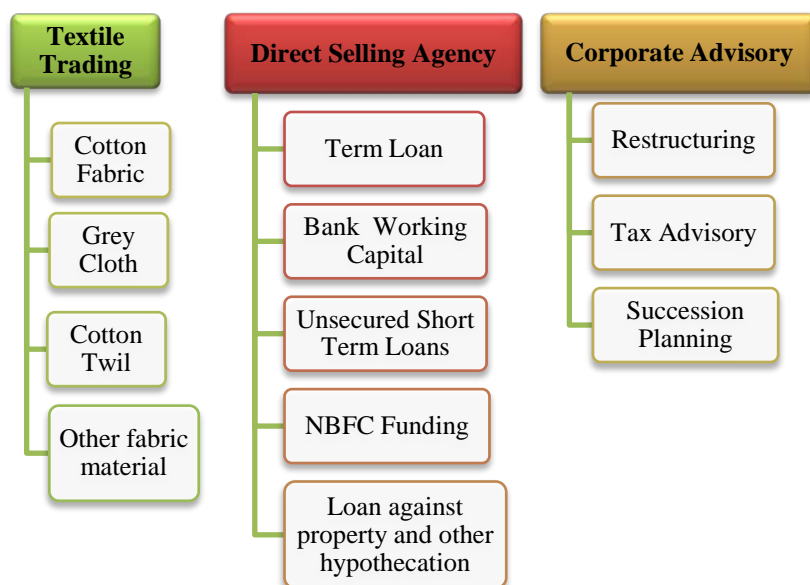
Our company was originally incorporated on January 23, 2009 as a private limited company under the provisions of Companies Act, 1956 as 'Sarthak Suppliers Private Limited.' Subsequently, name of the company was altered to IFL Enterprises Private Limited on January 27, 2016. On February 18, 2016 our company was converted into a public company and is currently called 'IFL Enterprises Limited.'

Our company is a subsidiary of India Finsec Limited, and represents the other business activities of the group. We are engaged in the business of corporate advisory, debt syndication and execution services with paramount focus on small and medium enterprises (SMEs) in corporate and non-corporate sector. Further we are also involved in the business of trading in textile products primarily fabrics.

We have obtained Direct Selling Agency of PNB Housing Finance, Tata Capital Housing Finance Limited, and IDFC Bank. Further we are in process of obtaining DSA for ICICI Bank, Axis Bank, IDBI Bank and India Bulls. Due to these DSAs and our strong network amongst the debt finance market; we mentor and help small and medium enterprises to raise banking and institutional finance. We believe that our domain knowledge of debt markets in India would further augment our ability to invest in securities, primarily bonds and other fixed income instruments and earn good risk adjusted returns.

Further we operate as a trader in textile products, primarily fabrics. We act as an intermediary between buyer and seller buying goods on cash basis and providing credit to cash-strapped businessmen in this field. We operate these businesses from our registered office at D-16, 1st Floor, Prashant Vihar, Sector-14, Rohini, New Delhi- 11008, Delhi.

The various business segments that we operate in are as follows:



Raw Material Cost

Our Company is engaged in the business of trading of fabrics and other textile material and providing Debt Syndication and DSA services thus, we do not incur any raw material cost.

Our ability to successfully implement its strategy and its growth and expansion plans

Our growth plans are considerable and would put significant demands on our management team and other resources. Any delay in implementation of our strategy and growth and expansion plans could impact our Company's roll out schedules and cause cost and time over runs.

Increasing competition in the industry

- ***Textile trading business:*** Textile being a large global industry we face competition from various domestic and international players. The industry is largely unorganized and fragmented with many small and medium-sized companies and entities. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

We believe that the principal factors affecting competition in our business include client relationships reputation, the abilities of employees, market focus and the liquidity on the balance sheet.

- ***Service offering business:*** We face competition from various other financial intermediaries operating in this segment. Further we also face competition from sales teams of Banks and FI who could approach clients directly. We believe that we operate in a highly competitive environment. Further we may also face competition from online portals and apps etc. which could provide similar services to clients in a much cheaper and effective manner.

We believe that relations are of key importance and hence we believe that our focus on delegating debt syndication services to Small and Medium Enterprises will enable us to generate future revenue and also open up possibilities for new businesses through cross references. This will enhance our ability to effectively compete with our competitors and create a niche for us in the market.

General economic and business conditions

As a Company with its complete operations in India, we are affected by general economic conditions in the country and in particular economic factors that affect debt syndication industry in India. India's gross domestic product, or GDP, has been and will continue to be of importance in determining our operating results and future growth.



Significant Developments after September 30, 2016 that may affect our Future Results of Operations

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in the Draft Prospectus, any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

Factors affecting our Result of Operation

Our business is subject to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page no. 9 of this Prospectus.

Among various other factors that affect our financial results and operations for a given financial year, some key factors are as follows:

- Changes in laws and regulations that apply to the industry;
- Increasing competition in the industry;
- Company’s inability to successfully implement its growth and expansion plans;
- General economic and business conditions.



RESULTS OF OUR OPERATIONS

(₹ in lakhs)

Particulars	For the Period Ended September 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
INCOME											
Revenue from Operations	185.67	99.95%	33.76	86.08%	6.74	84.78%	5.89	71.32%	-	0.00%	-
Other Income	0.10	0.05%	5.46	13.92%	1.21	15.22%	2.37	28.68%	2.40	100.00%	3.02
Total Income (A)	185.77	100.00%	39.22	100.00%	7.95	100.00%	8.26	100.00%	2.40	100.00%	3.02
EXPENDITURE											
Employee Benefit Expenses	10.04	5.40%	8.92	22.73%	1.07	13.51%	2.13	25.76%	2.04	85.04%	2.65
Purchases of Stock in Trade	259.66	139.77%	-	0.00%	11.41	143.50%	5.69	68.84%	-	0.00%	-
Changes in Inventories	(105.11)	(56.58%)	-	0.00%	(4.80)	-60.38%	-	0.00%	-	0.00%	-
Depreciation and Amortisation Expense	0.98	0.53%	1.32	3.36%	-	0.00%	-	0.00%	-	0.00%	-
Administration Expenses	5.63	3.03%	10.26	26.16%	0.22	2.82%	0.41	4.96%	0.33	13.65%	0.35
Loss on Sale of Investment	1.09	0.59%	-	-	-	-	-	-	-	-	-
Total Expenses (B)	172.29	92.74%	20.49	52.25%	7.90	99.45%	8.23	99.55%	2.37	98.69%	3.00
Net Profit/(Loss) before tax	13.48	7.26%	18.73	47.75%	0.05	0.55%	0.03	0.45%	0.03	1.31%	0.02
Exceptional items	-	-	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Net Profit/(Loss) before extraordinary items and tax	13.48	7.26%	18.73	47.75%	0.05	0.55%	0.03	0.45%	0.03	1.31%	0.02
Less: Provision for tax											
Current tax	4.14	2.23%	5.56	14.17%	0.01	0.17%	0.01	0.14%	0.01	0.41%	0.01
Deferred tax	0.03	0.02%	0.23	0.59%	-	0.00%	-	0.00%	-	0.00%	-
Total	4.17	2.25%	5.79	14.75%	0.01	0.17%	0.01	0.14%	0.01	0.41%	0.01
Net Profit/(Loss) for the period after tax	9.32	5.02%	12.94	33.00%	0.04	0.38%	0.02	0.31%	0.02	0.91%	0.01



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 as a percentage of total income was 99.95%, 86.08%, 84.78% and 71.32% respectively, for the period ended September 30, 2016 and fiscals 2016, 2015 and 2014.

Other Income

Our other income comprises of interest income.

Expenditure

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

Purchases

We incurred cost of purchases till fiscal 2015 as we were engaged in the business of selling fabrics till that year. In FY 2015-16, there are no cost of purchases as new management decided to square off the trading business carried on by the previous management. Since from the FY 2016-17 our company has resumed its trading activities, it has incurred purchase cost for the period ended September 30, 2016.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include director's remuneration, salary and staff welfare expenses.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation on the fixed assets of our Company which primarily includes Computers and Furniture and Fixtures.

Other Expenses

Other expenses primarily include Commission charges, conveyance expenses, ROC expenses, computer repair and maintenance, printing and stationery, 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.



Review for the six (6) months period ended September 30, 2016

Income

Our total income for the six months period ended September 30, 2016 was ₹ 185.77 lakhs. In the current period, the revenue earned from operations is ₹ 185.67 lakhs or 99.95% of the total income. Other income for said period was recorded at ₹ 0.10 lakhs or 0.05% of total income.

Cost of Production

Our purchases & direct expenses for the six months period ended September 30, 2016 were ₹ 154.55 lakhs which as a proportion of our total income was 83.19%.

Employee Benefit Expenses

Our Employee Benefit Expenses for the six months period ended September 30, 2016 were ₹ 10.04 lakhs. As a proportion of our total income they were 5.40%.

Financial Cost

Our Financial Cost for the six months period ended September 30, 2016 was ₹ NIL i.e. 0.00% of the total income for the period.

Depreciation and Amortization Expenses

Our Depreciation and Amortization Expenses for the six months period ended September 30, 2016 were ₹ 0.98 lakhs. As a proportion of total income they were 0.53%.

Admin Expenses

Our Admin Expenses for the six months period ended September 30, 2016 ₹ 5.63 lakhs. As a proportion of our total income they were 3.03%.

Loss on Sale of Investment

Our Loss on Sale of Investment for the six months period ended September 30, 2016 ₹ 1.09 lakhs. As a proportion of our total income they were 0.59%.

Profit before Tax

Profit / (Loss) before Tax for the six months period ended September 30, 2016 was ₹ 13.48 lakhs.

Profit after Tax

Profit / (Loss) after Tax for the six months period ended September 30, 2016 was ₹ 9.32 lakhs.

Fiscal 2016 compared with fiscal 2015

Income

In fiscal 2016, our total income increased by ₹ 27.02 lakhs or 393.33%, from ₹ 7.95 lakhs in fiscal 2015 to ₹ 39.22 lakhs in fiscal 2016. The company has altered its business operations from sale of fabrics to rendering debt syndication services. The paramount increase in income in 2016 is due to the change in line of operations of the company.

Employee Benefit Expenses

Our staff cost increased by ₹ 7.85 lakhs or 733.64%, from ₹ 1.07 lakhs in fiscal 2015 to ₹ 8.92 lakhs in fiscal 2016. This increase was mainly due to increase in number of employees in FY 2015-16.



Depreciation and Amortization Expenses

Depreciation expenses increased by ₹ 1.32 lakhs, from ₹ NIL in fiscal 2015 to ₹ 1.32 lakhs in fiscal 2016. This increase was on account of purchase of Computer and Furniture and Fixtures in FY 2015-16.

Other Expenses

Other expenses increased by ₹ 10.04 lakhs or 26.16% from ₹ 0.22 lakhs in fiscal 2015 to ₹ 10.26 lakhs in fiscal 2016. The increase was due to commission charges, conveyance expenses and ROC expenses which were incurred in fiscal 2016.

Profit before Tax

The change in the line of business operations has led to an increase in our revenues, our Profit before tax increased by ₹ 18.68 lakhs from ₹ 0.05 lakhs in fiscal 2015 to ₹ 18.73 lakhs in fiscal 2016.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 12.90 lakhs or 33.00 %, from ₹ 0.04 lakhs in fiscal 2015 to ₹ 12.94 lakhs in fiscal 2016.

Fiscal 2015 compared with fiscal 2014

Income

Our total income decreased by ₹ 0.31 lakhs or 3.78% from ₹ 8.26 lakhs in fiscal 2014 to ₹ 7.95 lakhs in fiscal 2015. Even though there was an increase in revenue from operations, the decrease was mainly due to reduction in other income.

Purchases

The purchases in fiscal 2015 increased by ₹ 5.72 lakhs or 100.58% i.e. from ₹ 5.69 lakhs in fiscal 2014 to ₹ 11.41 lakhs in fiscal 2015. The above increase was majorly due to increase in our scale of operations, representing consistent growth of our business .

Employee Benefit Expenses

Our staff costs decreased by ₹ 1.05 lakhs or 49.53%, from ₹ 2.13 lakhs in fiscal 2014 to ₹ 1.07 lakhs in fiscal 2015. There was a decrease in the number of employees leading to reduction in salary and wages.

Other Expenses

Other Expenses decreased by ₹ 0.19 lakhs or 45.41% in fiscal 2015, from ₹ 0.41 lakhs in fiscal 2014 to ₹ 0.22 lakhs in fiscal 2015. The conveyance expenses decreased primarily due to decrease in number of employees which led to decrease in other expenses.

Profit before Tax

PBT increased negligibly by ₹ 0.01 lakhs or 0.55% as compared from a profit of ₹ 0.0435 lakhs in fiscal 2014 to a profit of ₹ 0.0375 lakhs in fiscal 2015. There is only a marginal increase in revenue from operations and also other income has decreased as compared to last year, thus resulting in a negligible increase in PBT.

Profit after Tax

After accounting for taxes at applicable rates, our profit after tax increased by ₹ 0.0042 lakhs from ₹ 0.0259 lakhs in fiscal 2014 to ₹ 0.0301 lakhs in fiscal 2015.



Fiscal 2014 compared with fiscal 2013

Income

In fiscal 2014, we recorded a total income of ₹ 8.26 lakhs, an increase of ₹ 5.86 lakhs or 244.28% as compared to ₹ 2.40 lakhs in fiscal 2013. The paramount increase was due to sale of fabrics which initiated in fiscal 2014.

Purchases

Purchase of Fabrics of ₹ 5.69 were undertaken in fiscal 2014. In 2013 purchases were NIL as first sale of fabrics were incurred by the company in Fiscal 2014.

Employee Benefit Expenses

Our staff costs increased by ₹ 0.09 lakhs, from ₹ 2.04 lakhs in fiscal 2013 to ₹ 2.13 lakhs in fiscal 2014. This increase was mainly on account of increments in salary and wages and staff welfare expenses..

Other Expenses

Other expenses increased marginally by ₹ 0.08 lakhs or 25.52%, from ₹ 0.33 lakhs in fiscal 2013 to ₹ 0.41 lakhs in fiscal 2014. This was on account of marginal increase in conveyance expenses and ROC charges during this period.

Profit before Tax

Our PBT increased by ₹ 0.01 lakhs or 19.03% as compared from a profit of ₹ 0.0315 lakhs in fiscal 2013 to a profit of ₹ 0.0375 lakhs in fiscal 2014. This was due to increase in revenue from operations due to sale of fabrics which were initiated in fiscal 2014.

Profit after Tax

After accounting for taxes at applicable rates, our profit after tax increased by ₹ 0.0041 lakhs or 19.05% from a profit of ₹ 0.0218 lakhs in fiscal 2013 to a profit of ₹ 0.0259 lakhs in fiscal 2014.

Cash Flows

(₹ in lakhs)

Particulars	Period ended September 30, 2016	Year ended March 31,			
		2016	2015	2014	2013
Net Cash from Operating Activities	27.57	(52.81)	227.16	(2.18)	(21.21)
Net Cash from Investing Activities	14.94	4.89	(215.00)	-	21.00
Net Cash used in Financial Activities	-	55.05	-	-	-
Net Increase / (Decrease) in Cash and Cash equivalents	42.51	7.12	12.16	(2.18)	(0.21)

Cash Flows from Operating Activities

Net cash from operating activities in the period ended September 30, 2016 was ₹ 27.57 lakhs as compared to the PBT of ₹ 13.48 lakhs for the same period. This difference is primarily on account of changes in trade receivables, short term loans and advances and other current liabilities.

Net cash from operating activities in fiscal 2016 was negative ₹ 52.81 lakhs as compared to the PBT of ₹ 18.73 lakhs for the same period. This difference is primarily on account of changes in trade receivables, short term loans and advances and other current liabilities.

Net cash from operating activities in fiscal 2015 was ₹ 227.16 lakhs as compared to the PBT of ₹ 0.04 lakhs for the same period. This difference is primarily on account of changes in trade payables, trade receivables, inventories short term loans and advances and other current liabilities.



Net cash from operating activities in fiscal 2014 was negative ₹ 2.18 lakhs as compared to the PBT of ₹ 0.04 lakhs for the same period. This difference is primarily on account of changes in trade receivable, short term loans and advances and trade payables.

Cash Flows from Investment Activities

In period ended September 30, 2016, the net cash invested in Investing Activities was positive ₹ 14.94 lakhs. This was on account of purchase of fixed assets and sale of investments.

In fiscal 2016, the net cash invested in Investing Activities was positive ₹ 4.89 lakhs. This was on account of purchase of fixed assets and sale of investments.

In fiscal 2015, the net cash invested in Investing Activities was negative ₹ 215.00 lakhs. This was on account of sale of investments.

In fiscal 2014, the net cash invested in Investing Activities was NIL.

Cash Flows from Financing Activities

Net cash from financing activities in period ended September 30, 2016 was positive NIL.

Net cash from financing activities in fiscal 2016 was positive ₹ 55.05 lakhs. This was on account of proceeds from issue of right shares.

Net cash from financing activities in fiscal 2015 was NIL.

Net cash from financing activities in fiscal 2014 was NIL.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this 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. 111 and 130 respectively of this Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on page nos. 9 and 130 respectively of this Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4. Future relationship between Costs and Income

Other than as described in the chapter titled “*Risk Factors*” beginning on page no. 9 of this 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 introduction of new services and volume of business activity carried out by the Company.

6. Total turnover of each major industry segment in which our Company operates.

We are engaged in the business of trading in fabrics and textile material and debt related advisory arrangement and execution services with paramount focus on small and medium enterprises (SMEs) in corporate and non-corporate sector. We have also obtained Direct Selling Agency of PNB Housing Finance, Tata Capital Housing Finance Limited, and IDFC Bank. Our Company operates under two different segments. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no 58 of this Prospectus.

7. Status of any publicly announced new products or business segments

Please refer to the chapter titled “*Our Business*” beginning on page no. 67 of this Prospectus.

8. The extent to which the business is seasonal.

Our business is not seasonal in nature. However substantial portion of our income accruals happen at the end of the financial year or at six months ended due to the nature of the business. Further this business is also subject to the general business cycles experienced within the banking and financial sectors.

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

The revenues from our top 5 customers constituted approximately 100.00 % for period ended September 30, 2016.



SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:

A. (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters, Group Companies. Our Board, in its meeting held on November 25, 2016, determined that outstanding legal proceedings involving the Company, its Directors, Promoters and Group Companies: (a) which are in the nature of criminal, statutory/regulatory and taxation related proceedings; (b) which are above a claim amount equal to or exceeding ₹ 5.00 lakhs as material (“**Material Litigation**”).

B. (i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company; or (vi) material frauds committed against our Company in the last five years.

Our Board of Directors considers dues owed by our Company to the small scale undertakings and other creditors exceeding ₹ 5.00 lakhs as material dues for our Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on November 25, 2016.

All terms defined in a particular litigation are for that particular litigation only.

CONTINGENT LIABILITIES OF OUR COMPANY

NIL

LITIGATION INVOLVING OUR COMPANY

A. LITIGATION AGAINST OUR COMPANY

1. Litigation Involving Criminal Matters:

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities:

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

4. Other Pending Litigations

NIL



B. CASES FILED BY OUR COMPANY

1. Litigation Involving Criminal Matters:

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities:

NIL

3. Litigation Involving Tax Liabilities:

i) Direct Tax Liabilities

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR DIRECTORS

A. LITIGATION AGAINST THE DIRECTORS

1. Litigation involving Criminal Matters

NIL

2. Litigation involving Actions by Statutory/Regulatory Authorities:

NIL

3. Litigation Involving Tax Liabilities:

i) Direct Tax Liabilities

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

4. Other Pending Litigations:

NIL



B. LITIGATIONS FILED BY OUR DIRECTORS

1. Litigation involving Criminal Matters

NIL

2. Litigation involving Actions by Statutory/Regulatory Authorities:

NIL

3. Litigation Involving Tax Liabilities:

i) Direct Tax Liabilities

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

4. Other Pending Litigations:

NIL

LITIGATION INVOLVING OUR PROMOTERS

A. LITIGATION AGAINST OUR PROMOTERS

1. Litigation involving Criminal Matter:

NIL

2. Litigation involving Actions by Statutory/Regulatory Authorities:

NIL

3. Litigation Involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

B. LITIGATION FILED BY OUR PROMOTERS

1. Litigation involving Criminal Matters:

NIL

2. Litigation involving Actions by Statutory/Regulatory Authorities:

NIL

3. Litigation Involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES

1. Litigation involving Criminal Matters:

NIL

2. Litigation involving Actions by Statutory/Regulatory Authorities:

NIL

3. Litigation Involving Tax Liabilities:

(i) Direct Tax Liabilities

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

4. Other Pending Litigations

NIL



B. LITIGATIONS FILED BY OUR GROUP COMPANIES

1. Litigation involving Criminal Liabilities:

NIL

2. Litigation involving Actions by Statutory/Regulatory Authorities:

NIL

3. Litigation Involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No	Type of Direct Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

(ii) Indirect Tax Liabilities

Sr. No	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded (in ₹)
1	NIL	NIL	NIL
	Total	NIL	NIL

4. Other Pending Litigations

NIL

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.

Pending proceedings initiated against our Company for economic offences.

There are no pending proceedings initiated against our Company for economic offences.

Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies enactment in the last 5 (five) years against our Company.

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment in the last 5 (five) years against our Company.

Material Fraud against our Company in the last 5 (five) years

There has been no material fraud committed against our Company in the last 5 (five) years.

Fines imposed or compounding of offences for default

There are no fines imposed or compounding of offences done in the last 5 (five) years immediately preceding the year of the Prospectus for the Company for default or outstanding defaults.

Non-Payment of Statutory Dues

There have been no defaults or outstanding defaults in the payment of statutory dues payable by the Company as of the date of the last audited financial statements of the Company



Amounts owed to small scale undertakings and other creditors

The Board of Directors of our Company considers dues exceeding ₹ 5.00 lakhs to small scale undertakings and other creditors as material dues for our Company. Our Company does not owe any small scale undertakings any amounts exceeding ₹ 5.00 lakhs as of the date of this Prospectus.

Material developments occurring after last balance sheet date

There have been no material developments since the date of the last financial statements as disclosed in the Prospectus except an issue of Bonus Shares dated October 25, 2016 of 2,75,234 equity shares in the ratio of 1 equity shares for every 4 equity shares held.



GOVERNMENT AND OTHER KEY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory bodies/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/proposed business activities and no further major approvals from any government/regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any statements made or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental to the main objects enable our Company to carry out its activities.

Approvals for the Issue

1. The Board of Directors have pursuant to section 62(1)(C) of the Companies Act, 2013, by a resolution passed at the meeting held on September 05, 2016, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to section 62(1)(C) of the Companies Act, 2013, by a special resolution passed in the Annual General Meeting held on September 30, 2016 authorized the Issue.
3. Approval dated February 09, 2017 from the BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company's International Securities Identification Number ("**ISIN**") is INE714U01016.

Approvals pertaining to Incorporation, name and constitution of Our Company

1. Certificate of Incorporation dated January 23, 2009 issued by the Registrar of Companies, New Delhi ("**RoC**") in the name of "Sarathak Suppliers Private Limited".
2. Fresh Certificate of Incorporation dated January 27, 2016 issued by the RoC, New Delhi consequent upon change of name from "Sarathak Suppliers Private Limited" to "IFL Enterprises Private Limited".
3. Certificate of change of name of the Company from "IFL Enterprises Private Limited" to "IFL Enterprises Limited" dated February 18, 2016, issued by the RoC, New Delhi upon the conversion of our Company into a Public Limited Company.
4. The Corporate Identity Number (CIN) of the Company is U67100DL2009PLC186958.

Labour Related Approvals

Our Company has obtained the following labour related approvals for carrying out its activities:

Sr. No.	Particulars	Granting Authorities	Registration Number	Date of Issue	Date of Expiry
1	Registration Certificate of Establishment	Department of Labour Government of National Capital Territory of Delhi	2016033202	June 11, 2016	Valid until cancelled
2	Registration Certificate of Establishment of Godown.	Department of Labour Government of National Capital Territory of Delhi	2016083220	December 05, 2016	Valid until cancelled



Tax related approvals


Our Company has obtained the following tax approvals for carrying out its activities:

Sr. No.	Particulars	Granting Authorities	Registration Number	Date of Expiry
1	Permanent Account No. (PAN)	Income Tax Department, Govt. of India	AAMCS7234H	Valid until cancelled
2	Tax Deduction Account No. (TAN)	Income Tax Department, Govt. of India	DELI11422F	Valid until cancelled
3	Service Tax Registration Certificate	Central Board of Excise and Customs	AAMCS7234HSD001	Valid until cancelled

Intellectual Property Related Approvals

1. Pending Approvals

- Trademark

Sr. No	Particulars of the mark	Word/ Label Mark	Applicant	Trademark/Applica tion Number	Issuing Authority	Class	Status
1		Device	IFL Enterprises Limited	3313589	Trade Marks Registry, New Delhi	36	Pending Approval



SECTION VIII – OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated September 05, 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 Annual General Meeting held on September 30, 2016, in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated February 09, 2017 to use the name of BSE in this Issue Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, its Directors, Promoters and entities forming part of our Promoter Group from accessing the capital market or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our Company, our Promoters, relatives of Promoters (as defined under Companies Act, 2013), our Directors, nor our 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 Promoters, Promoter Group and Group Companies*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 9, 96 and 141 respectively, of this Prospectus.

Eligibility for the Issue

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post Issue face value capital does not exceed ten crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE).

We confirm that:

- a) In accordance with Regulation 106 (P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the total Issue Size. For further details pertaining to the said underwriting please see “*General Information- Underwriting*” on page no. 35 of this Prospectus.
- b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty (50), otherwise, the entire application money will be refunded / unblocked forthwith. If such money is not repaid / unblocked, then our Company and every officer in default shall be liable to repay / unblock such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. 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 Draft 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. 36 of this Prospectus.
- e) Our Company has Net Tangible assets of at least ₹ 3 crores as per the latest audited financial results
- f) The Net worth (excluding revaluation reserves) of our Company is at least ₹ 3 crores as per the latest audited financial results
- g) Our Company has track record of distributable profits in terms of sec. 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has been a period of at least 12 months.
- h) The distributable Profit, Net tangible Assets and Net worth of our Company as per the restated financial statements for the period ended as at September 30, 2016, March 31, 2016, 2015 and 2014 is as set forth below:

(₹ in lakhs)

Particulars	September 30, 2016	Fiscal 2016	Fiscal 2015	Fiscal 2014
Distributable Profit ⁽¹⁾	11.11	12.94	0.03	0.03
Net tangible Assets ⁽²⁾	309.67	300.32	232.11	232.08
Net Worth ⁽³⁾	311.21	300.09	232.11	232.08

⁽¹⁾ Distributable profits have been computed in terms section 123 of the Companies Act, 2013.

⁽²⁾ Net Tangible Assets are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities) and secured as well as unsecured long term liabilities excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

⁽³⁾ Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

- i) As on the date of this Prospectus, our Company has a paid up capital of ₹ 137.62 lakhs (₹ 1.38 crores), which is in excess of ₹ 1 crore, and the Post Issue Capital will be of ₹ 300.22 lakhs (₹ 3.00 crores).
- j) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- k) There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- l) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.
- m) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.
- n) We have a website: www.iflenterprises.com
- o) We are not a Stock / Commodity Broking Company since incorporation.
- p) We are not a Finance Company since incorporation.

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.



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 ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE 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 FEBRUARY 22, 2017 WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS CONTRIBUTION**



SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD /TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.

- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE "MAIN OBJECTS" LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. - COMPLIED WITH TO THE EXTENT APPLICABLE.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 (SECTION 40 OF COMPANIES ACT, 2013) AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE ISSUE SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:**
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER, AND**



- B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE OFFER- NOTED FOR COMPLIANCE.**
 - 14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**
 - 15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
 - 16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR (PLEASE SEE “ANNEXURE A” FOR FURTHER DETAILS).**
 - 17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS - COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS CERTIFIED BY M/S. V. N. PUROHIT & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NUMBER: 304040E) PURSUANT TO THEIR REPORT DATED NOVEMBER 15, 2016.**

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 26, and 30 of the Companies Act, 2013.

ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- 1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**



3. **WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**
4. **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
5. **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS.**
6. **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**

Disclaimer from our Company and the Lead Manager

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this 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 November 08, 2016, the Underwriting Agreement dated November 08, 2016 entered into among the Underwriter and our Company and the Market Making Agreement dated November 08, 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 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 issue or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.



No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date

Disclaimer Clause of the SME Platform of BSE

“BSE Limited ("BSE") has given vide its letter dated February 09, 2017, permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever”.

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 the Corporation Finance Department, 5th Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi – 110 019.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the RoC situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019.



Listing

Application have been made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within fifteen days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under 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 BSE mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated February 09, 2017 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

Price Information of past issues handled by the Lead Manager

Sr. No.	Issue Name	Issue size (₹ Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing	
1	Diksat Transworld Ltd.	18.43	40	18/10/2016	40.75	6.25%	-6.50%	27.50%	-2.72%	NA	NA
2	Valiant Organics Ltd.	21.22	220	14/10/2016	264.00	105.75%	-3.09%	78.18%	-1.54%	NA	NA
3	Mitsu Chem Plast Ltd.	9.51	95	09/09/2016	96.00	0.79%	-2.56%	20.53%	-7.30%	NA	NA
4	Bajaj Healthcare Ltd.	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 Ltd.	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 IPO's	Total Funds Raised (₹ 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	-	-	-	1	-	4	-	-	-	-	1	1
2015-16	3	15.90	-	-	-	-	-	3	-	-	-	-	1	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, Valiant Organics Limited and Diksat Transworld Limited was September 09, 2016, October 14, 2016 and October 18, 2016 respectively, information related to closing price and benchmark index as on 180th calendar 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.
- Source: www.bseindia.com and BSE 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 Company Secretary and Compliance Officer, the Chief Financial Officer, the Statutory Auditors and Banker(s) to the Company; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisors to the Issue, 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 26 and other applicable law of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. V. N. Purohit & Co. Chartered Accountants, Statutory Auditors have provided their written consent to the inclusion of their reports dated November 15, 2016 on Restated Financial Statements and November 15, 2016 on Statement of Tax Benefits, respectively, which may be available to the Company and its shareholders, included in this 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 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. 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 Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Restated Financial Statements dated November 15, 2016 and the Statement of Tax Benefits dated November 15, 2016 issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.



ISSUE RELATED EXPENSES

The expenses of this Issue include, among others, underwriting and management fees, Market Making Fees, selling commissions, SCSB's commission/ fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees is given below: Same as object of the Issue

Activity	Expenses (₹ in lakhs)	Percentage of Issue Expenses	Percentage of Issue Size
Payment to Merchant Banker including fees and reimbursements of selling commissions, Underwriting, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc. and other out of pocket expenses	28.00	68.29%	8.61%
Printing and Stationery and postage expenses	3.00	7.32%	0.92%
Advertising and Marketing expenses	3.00	7.32%	0.92%
Regulatory fees and expenses	7.00	17.07%	2.15%
Total estimated issue expenses	41.00	100.00%	12.61%

- 1) The SCSBs and other intermediaries 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 by them*
- 2) The SCSBs would be entitled to processing fees of ₹ 25 per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.*
- 3) Further the SCSBs and other intermediaries will be entitled to selling commission of 0.05% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.*
- 4) 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.*

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 November 08, 2016, the Underwriting Agreement dated November 08, 2016 and the Market Making Agreement dated November 08, 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 April 01, 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. 38 of this 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 that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years except as stated below:

Name of the Company	India Finsec Limited
Date and Year of Initial Listing	June 11, 2013
Type of Issue	Initial Public Offer
Amount of the Issue	₹ 600.00 lakhs
Date of Closure of the Issue	May 24, 2013
Date of Completion of Delivery of Shares	May 28, 2013
Date of completion of project, if applicable	N. A.
Rate of Dividend paid	N. A.

We do not have any subsidiary as on date of this Prospectus.

Promise v. Performance (Issuer and Listed Group Companies / Subsidiaries / Associates)

India Finsec Limited (IFINSEC)

IFINSEC has come out with an Initial Public Offer of 60,00,000 Equity Shares of ₹ 10 each offered at a fixed price of ₹ 10 per share aggregating to ₹ 600.00 Lakhs. The said issue was opened for subscription on May 24, 2013 and closed on May 28, 2013. The Issue was fully subscribed and the basis of allotment was finalized in consultation with the BSE Ltd. on June 06, 2013 and the new equity shares were listed on BSE with effect from June 11, 2013.

The Object of the Issue is to raise funds for:

- Purchase and set up of Office Space for Registered Office;
- To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities and
- Issue related Expenses.

Details of utilization of Public Issue proceeds of ₹ 600.00 lakhs are as follows:

(₹ in lakhs)

Sr. No.	Particulars	Proposed Objects	Actual Utilizations
1	Purchase and set up of Office Space for Registered Office ⁽¹⁾	350.00	350.00 ⁽¹⁾
2	To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities	200.00	200.00
3	Issue related Expenses	50.00	50.00
	Total	600.00	600.00

⁽¹⁾M/s. V. N. Purohit & Co., Chartered Accountants have vide their certificate dated May 30, 2015 confirmed that ₹ 350.00 lakhs stands toward purchase of registered office as per object of the issue was alter to working capital via Special Resolution dated September 27, 2014 and the same fund was utilized towards the working capital of the company.

M/s. V. N. Purohit & Co., Chartered Accountants have vide their certificate dated May 30, 2015 confirmed that the entire amount raised by IFINSEC through the above mentioned object/ modified object was utilize on or before March 31, 2015



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 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 Skyline Financial Services Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on December 17, 2016 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

Sr. No.	Name	Designation in Committee	Nature of Directorship
1	Ms. Himanshi Kashyap	Chairman	Non Executive Independent Director
2	Mr. Pramod Sharma	Member	Non Executive Independent Director
3	Mr. Mukesh Sharma	Member	Executive Director

For further details, please see the chapter titled "*Our Management*" beginning on page no. 85 of this Prospectus.

The Company has also appointed Mr. Sandeep Kumar as the Company Secretary and Compliance Officer for this Issue and he may be contacted at the Registered Office of our Company. The contact details are as follows:

Name: Mr. Sandeep Kumar

Address: D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi – 110 085

Tel. No.: +91 – 11- 2755 5434

Fax No.: +91 - 11- 2702 9051

Email: iflenterprises@rediffmail.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/ unblock of amount.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.



Disposal of Investor Grievances by Listed Companies under the same Management as the Company

For details of Investor Grievances by Listed Companies under the same Management, see the chapter “*Our Group Companies*” beginning on page no. 103 of this Prospectus.

Change in Auditors

Except as mentioned below, there have not been any other changes in our auditors in the last three years:

Financial Year	Statutory Auditor
2014-15	M/s. Ajay Aaditya & Co.,
2015-16	M/s. V.N. Purohit & Co.

Capitalisation of Reserves or Profits

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 38 of this 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 offered and transferred pursuant to this Issue are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this 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.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available

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 September 05, 2016 and was approved by the Shareholders of the Company by passing a Special Resolution at the Annual General Meeting on September 30, 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 and transferred pursuant to the Issue 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" beginning on page no. 217 of this 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. In respect of the Offer for Sale, all dividends, if any, declared by our Company after the date of Allotment, will be payable to the Applicants who have been issued and allotted Equity Shares in such Offer for the entire year. For further details, please refer the chapter titled "Dividend Policy" and "Main Provisions of Article of Association" beginning on page nos. 110 and 217 of this Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹ 10 each are being offered in terms of this Prospectus at the price of ₹ 20 per Equity Share. The Issue Price is decided by our Company, in consultation with the Lead Manager and is justified under the section titled "Basis of Issue Price" beginning on page no 53 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.



Compliance with the disclosure and accounting norms

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall also comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- ✓ Right to receive dividend, if declared;
- ✓ Right to attend general meetings and exercise voting rights, unless prohibited by law;
- ✓ Right to vote on a poll either in person or by proxy;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation;
- ✓ Right of free transferability; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, the Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please refer the section titled "*Main Provisions of Articles of Association* " beginning on page no. 217 of this 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 May 26, 2016 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated April 20, 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 6,000 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 6,000 Equity Share subject to a minimum allotment of 6,000 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. 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. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

Issue Programme

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	March 07, 2017
Issue Closing Date	March 10, 2017
Finalisation of Basis of Allotment with the Designated Stock Exchange	March 16, 2017
Initiation of Refunds	March 17, 2017
Credit of Equity Shares to demat accounts of Allottees	March 20, 2017
Commencement of trading of the Equity Shares on the Stock Exchange	March 21, 2017

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 (except for the Issue Closing Date), the Applications and any revision to the same shall be accepted only between **10.00 a. m. and 3.00 p. m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this 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 Offer. In terms of Regulation 106P(1) of the ICDR Regulations, the Offer 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 we do not receive the subscription of 100% of the Issue through this Issue document including devolvement of Underwriters within sixty days from the date of closure of the Issue, we shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after we become liable to pay the amount, we shall pay interest prescribed under section 40 of the Companies Act, 2013.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 6,000 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please refer the section titled “*Main Provisions of the Articles of Association*” beginning on page no. 217 of this Prospectus.

New Financial Instruments

Our 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 BSE.

Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the SME Platform of BSE (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 BSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker, please refer the chapter titled "*General Information - Details of the Market Making Arrangement for this Issue*" beginning on page no. 36 of this 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, a Company whose post issue/ Issue face value capital does not exceed ten crore rupees, shall issue/ Issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Issue, please refer the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on page nos. 162 and 169 respectively, of this Prospectus.

Issue Structure:

Initial Public Offer of 16,26,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 20 per Equity Share (including a Share premium of ₹ 10 per Equity Share) aggregating to ₹ 325.20 lakhs ("the Issue") by IFL Enterprises Limited ("IFLEL" or the "Company").

The Issue comprises a Net Issue to Public of 15,36,000 Equity Shares of ₹ 10 each ("the Net Issue"), and a reservation of 90,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion"). The Issue and the Net Issue will constitute 54.16% and 51.16%, 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	Market Maker Reservation Portion
Number of Equity Shares available for allocation	15,36,000 Equity Shares	90,000 Equity Shares
Percentage of Issue Size available for allocation	94.46% of the Issue Size	5.54% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 6,000 Equity Shares and further allotment in multiples of 6,000 Equity Shares each. For further details please refer to the " <i>Basis of Allotment</i> " on page no. 205 of this Prospectus.	Firm Allotment
Minimum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000</p> <p><i>For Retail Individuals:</i></p> <p>6,000 Equity Shares</p>	90,000 Equity Shares
Maximum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Size does not exceed 15,36,000 Equity Shares.</p> <p><i>For Retail Individuals:</i></p> <p>Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Value does not exceed ₹ 2,00,000</p>	90,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	6,000 Equity Shares	6,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.



Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	
Application Lot Size	6,000 Equity Shares and in multiples of 6,000 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 (in ₹)	Lot Size (No.of shares)
Upto 14	10,000
More than 14 upto 18	8,000
More than 18 upto 25	6,000
More than 25 upto 35	4,000
More than 35 upto 50	3,000
More than 50 upto 70	2,000
More than 70 upto 90	1,600
More than 90 upto 120	1,200
More than 120 upto 150	1,000
More than 150 upto 180	800
More than 180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1,000	160
Above 1,000	100

Further to the Circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Manager, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.



ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”), included below under “**Part B – General Information Document**”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act 2013, to the extent applicable to a public issue. The General Information Document would be made available with the Lead Manager and would also be made available on the websites of the Stock Exchanges and the Lead Manager before opening of Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and shall not be liable for any amendment, modification or change in the applicable law which may occur after the date of this 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 Prospectus.

Please note that all the Applicants can participate in the Issue only through the ASBA process. All Applicants shall ensure that the ASBA Account has sufficient credit balance such that the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs.

ASBA Applicants are required to submit ASBA Applications to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by BSE Ltd to act as intermediaries for submitting Application Forms are provided on <http://www.bseindia.com>. For details on their designated branches for submitting Application Forms, please see the above mentioned BSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

PART A

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Reg. 106(M)(1) of Chapter XB of the SEBI (ICDR) Regulations, 2009 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.



Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic application 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 Draft prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour ⁽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 Legal 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 6,000 Equity Shares and in multiples of 6,000 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 6,000 Equity Shares thereafter. Application cannot be submitted for more than the Issue Size. However, the maximum application size by a QIB investor should not exceed the investment limits prescribed for them by applicable laws.

A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Information for the Applicants

- a) Our Company shall file the Prospectus with the RoC at least three working days before the Issue Opening Date.
- b) Our Company shall, after registering the Prospectus with the RoC, make a Pre- Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre- issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c) Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.
- d) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorized agent(s).
- e) Application should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch.
- f) The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.

Availability of the Prospectus and the Application Forms:

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.



Participation by associates and affiliates of the Lead Manager

The Lead Manager shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue in non Retail Portion, where the allocation is on a proportionate basis.

Applications by Mutual Funds

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Applications by Eligible NRIs

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Applications by FPI and FIIs

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.

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).

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).

Applications by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.



Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- b) With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- c) With respect to Applications made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.
- d) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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 Prospectus.

General Instructions

Do's:

- 1) Check if you are eligible to apply as per the terms of this 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 LM 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 ₹ 20 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 Retail 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 bank 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, 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 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 90,000 Equity Shares shall be reserved for the Market Maker. 7,68,000 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.

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 November 08, 2016.
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page no 31 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26 and all other provision applicable as per 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 withdraws 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 is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period;
- 7) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 8) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 9) No further Issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Bid monies are refunded / unblocked in ASBA Account on account of non-listing, under-subscription etc;
- 10) Adequate arrangements shall be made to collect all Application Forms and

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 Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft 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 Fixed Price Issue. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential 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”).

Applicants should note that investment in equity and equity related securities involves risk and 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 Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the 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 Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(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 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, Applicants may refer to the 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, Applicants may refer to the 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 Applicants may refer to the 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 Offer (“Fixed Price Issue”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the 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-offer advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Offer 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 Prospectus or Offer advertisements to check whether the Offer 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 Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of the Stock Exchange(s).

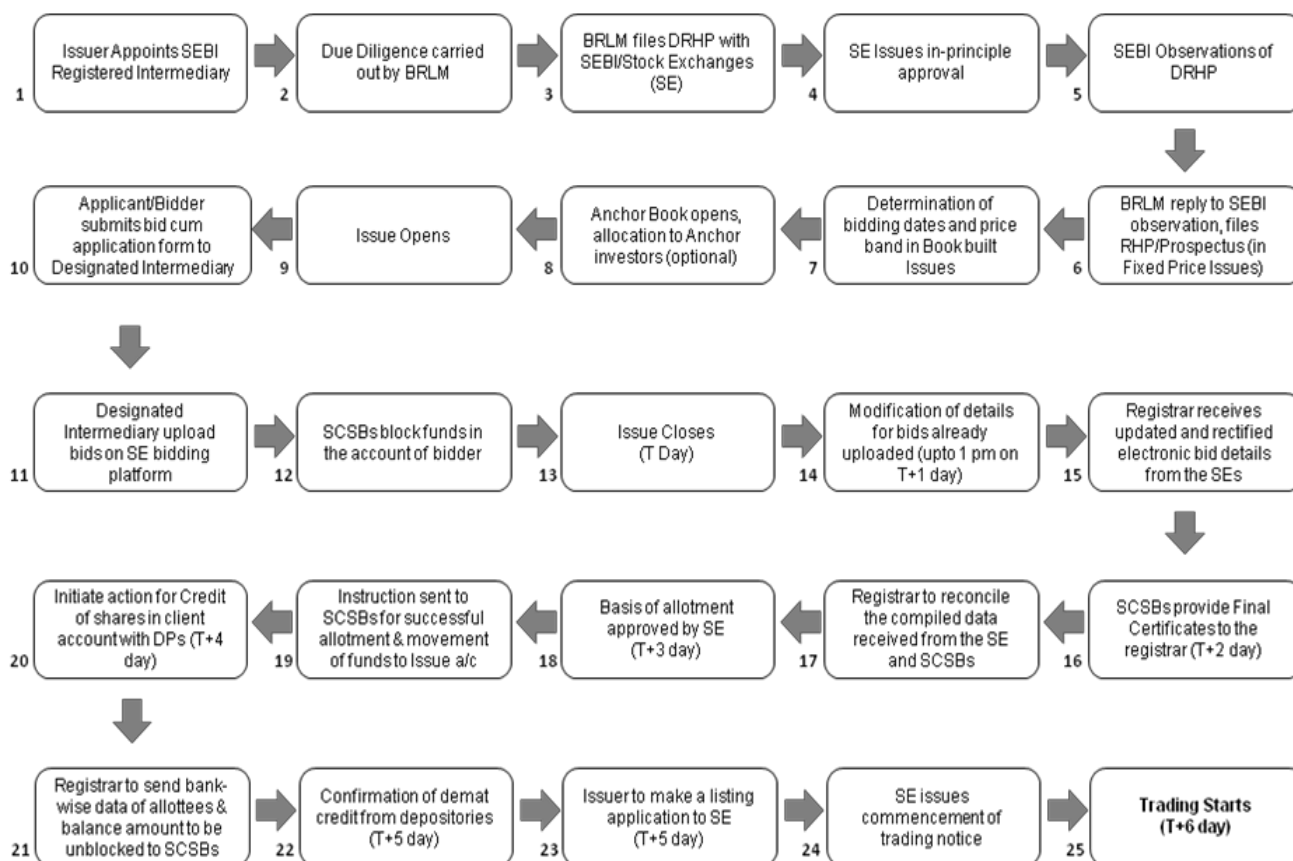
In case of a Book Built Issue, the Issuer may close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the Draft Prospectus/ Prospectus. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Issue 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 LM(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 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 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 ⁽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

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 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:



TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
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LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED	<table border="1" style="margin: auto;"> <tr><td style="padding: 2px;">BOOK BUILT ISSUE</td></tr> <tr><td style="padding: 2px;">ISIN :</td></tr> </table>	BOOK BUILT ISSUE	ISIN :	Bid cum Application Form No.
BOOK BUILT ISSUE				
ISIN :				

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr. / Ms.
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	Address
		Email
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	Tel. No (with STD code) / Mobile
		2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	6. INVESTOR STATUS
	<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
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID	

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")					5. CATEGORY	
Bid Options:	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			"Cut-off" (Please tick)	
		Bid Price	Retail Discount	Net Price		
Option 1	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	<input type="checkbox"/>	<input type="checkbox"/> Retail Individual Bidder
(OR) Option 2					<input type="checkbox"/>	<input type="checkbox"/> Non-Institutional Bidder
(OR) Option 3					<input type="checkbox"/>	<input type="checkbox"/> QIB

7. PAYMENT DETAILS	PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
Amount paid (₹ in figures) 	(₹ in words)

ASBA	
Bank A/c No.	
Bank Name & Branch	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
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	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Amount Paid (₹)				Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder
	Option 1	Option 2	Option 3																
No. of Equity Shares																			
Bid Price																			
Amount Paid (₹)																			
ASBA Bank A/c No. 		Acknowledgement Slip for Bidder																	
Bank & Branch 																			
		Bid cum Application Form No.																	

TEAR HERE



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 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 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 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 Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cutoff Price.
- e) RII may revise or withdraw their bids until Bid/ 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.
 - 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 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 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 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 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 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.
- 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 Prospectus.
- c) The Bidders entitled to the applicable Discount in the Offer may block an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- a) Only the First Bidder/ Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- a) Bidders should ensure that they receive the Acknowledgement Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Bid cum Application Form.
- b) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
- 1) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Sshares, refund orders, the Bidders/Applicants should contact the Registrar to the 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 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.
- 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

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
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LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<input type="text" value="BOOK BUILT ISSUE"/> <input type="text" value="ISIN :"/>	Bid cum Application Form No. <input style="width: 100%;" type="text"/>
------	--	--	--

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER	
		Mr./Ms. <input style="width: 100%;" type="text"/>	
		Address <input style="width: 100%;" type="text"/>	
		Email <input style="width: 100%;" type="text"/>	
		Tel. No (with STD code) / Mobile <input style="width: 100%;" type="text"/>	
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER	
		<input style="width: 100%;" type="text"/>	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS	
		<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL <small>For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID</small>	

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" (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" (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) <input style="width: 100%;" type="text"/>										(₹ in words) <input style="width: 100%;" type="text"/>	
ASBA Bank A/c No. <input style="width: 100%;" type="text"/>											
Bank Name & Branch <input style="width: 100%;" type="text"/>											

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 ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE / FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : <input style="width: 100%;" type="text"/>	I/We authorize the SCSB to do all acts as are necessary to make the Application in the name	
	1) <input style="width: 100%;" type="text"/>	
	2) <input style="width: 100%;" type="text"/>	
	3) <input style="width: 100%;" type="text"/>	

TEAR HERE

LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. <input style="width: 100%;" type="text"/>
------	--	--	--

DPID / CLID	<input style="width: 100%;" type="text"/>	PAN of Sole / First Bidder <input style="width: 100%;" type="text"/>
Additional Amount Paid (₹) <input style="width: 100%;" type="text"/>		Bank & Branch <input style="width: 100%;" type="text"/>
ASBA Bank A/c No. <input style="width: 100%;" type="text"/>		Stamp & Signature of SCSB Branch
Received from Mr./Ms. <input style="width: 100%;" type="text"/>		
Telephone / Mobile <input style="width: 100%;" type="text"/>	Email <input style="width: 100%;" type="text"/>	

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				Acknowledgement Slip for Bidder	
	Additional Amount Paid (₹)					
	ASBA Bank A/c No.	<input style="width: 100%;" type="text"/>				
Bank & Branch	<input style="width: 100%;" type="text"/>			Bid cum Application Form No. <input style="width: 100%;" type="text"/>		

TEAR HERE

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 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 Issue 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 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 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.



- 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	<ul style="list-style-type: none">To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	<ul style="list-style-type: none">To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP LocationTo 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 Prospectus 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 Prospectus.

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 Prospectus/ 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 Prospectus;
 - q) Multiple Bids/Applications as defined in this GID and the 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 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 Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the 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 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 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 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 Offer therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the Application Form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/ 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 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 Issue 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 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 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 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 Prospectus. The Designated Stock Exchange may be as disclosed in the 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 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 offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer 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 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 Offer to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Invest or Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Draft Prospectus/ Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor



Term	Description
	Portion and which will be considered as an application for Allotment in terms of the Draft Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant
Banker(s) to the Offer / Escrow Collection Bank(s) / Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account(s) for Anchor Investors may be opened ,and as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Offer
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Offer Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications 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/Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language news paper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the Prospectus for the Bid/Offer Opening Date
Bid/Offer Period	Except in the case of Anchor Investors(if applicable),the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDRRegulations,2009. Applicants/Bidders may refer to the Prospectus for the Bid/Offer Period
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Prospectus and the Prospectus
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the

Term	Description
	Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process / Book Building Process / Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s) / Book Running Lead Manager(s) / Lead Manager / LM	The Book Running Lead Manager to the Offer as disclosed in the 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
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



Term	Description
	Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs. 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 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 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 Offer, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue / Fixed Price Process / Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the 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

Term	Description
	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 Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the 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 Prospectus through an offer for sale by the Selling Shareholders
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 Offer 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/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s), finalise the Issue Price

Term	Description
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 Offer and certain other information
Public Issue Account	An account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
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 Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTO	The Registrar to the Offer as disclosed in the Prospectus and Bid cum Application Form
Reserved Category / Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹ 200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Bidding centres where the Syndicate shall accept 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 Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate



Term	Description
	Members
Syndicate Member(s) / SM	The Syndicate Member(s) as disclosed in the 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	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.



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 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 Article of Association of our Company. Pursuant to Table F in Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provision of the Article of Association of our Company are detailed below:

These Article of Association were adopted in substitution for and to the entire exclusion of the earlier Article of Association at the Extra- Ordinary General Meeting of the Company held on January 28, 2016.

III. SHARE CAPITAL, VARIATION OF RIGHTS & BUY BACK

4. The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum of Association. with power to Board of Directors to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division. The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum of Association. with power to Board of Directors to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division. If and whenever the capital of the Company is divided into shares of different classes, the rights of any such class may be varied, modified, affected, extended, abrogated or surrendered as provided by the said Act or by Articles of Association or by the terms of issue, but not further or otherwise. Provisions of Section 43, 47 of the Act to apply
5. The provisions of Section 43, 47 of the Act in so far as the same may be applicable to issue of share capital shall be observed by the Company.
6. The Directors shall have regard to the restrictions on the allotment of shares imposed by Section 39 and 40 of the said Act so far as those restrictions are binding on the Company.
7.
 - (1)
 - (i) 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 in or debentures of the Company or procuring or agreeing to procure subscription (whether absolute or conditional) for any shares in or debentures of the Company and the provisions of Section 40 of the said Act shall be observed and complied with. Such commission shall not exceed the maximum permissible rate as prescribed in the Rules. Such commission may be paid in cash or by the allotment of Securities.
 - (ii) Company shall not pay any commission to any underwriter on securities which are not offered to public for subscription.
 - (iii) The number of shares or debentures which persons have agreed to for commission to subscribe absolutely or conditionally is disclosed in the manner aforesaid.
 - (2) Nothing in this clause shall affect the power of the Company to pay such brokerage as it may consider reasonable.
 - (3) A Vendor to, promoter of, other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received in payment of any commission the payment of which, if made directly by the Company, would have been legal under this Articles.
 - (4) The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash or in share, debentures or debenture stock of the Company, (whether fully paid or otherwise) or in any combination thereof.



8. Except as provided by the Act, the Company shall not, except by reduction of capital under the provision of Sections 66 or Section 242 of the said Act, buy its own shares nor give, whether directly or indirectly, and whether by means of a loan, guarantee, 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 shares in the Company or in its holding company.
Provided that nothing in this Article shall be taken to prohibit:
- 8.1 (i) the provision of money in accordance with any scheme approved by the Company through Special Resolution and in accordance with the requirements specified in the relevant Rules, for the purchase of, or subscription for, fully paid up Shares in the Company, if the purchase of, or the subscription for the Shares held by trustees for the benefit of the employees or such Shares held by the employee of the Company;
- (ii) the giving of loans by the Company to persons in the employment of the Company other than its Directors or Key Managerial Personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid up Shares in the Company to be held by them by way of beneficial ownership. Nothing in this clause shall affect the right of the Company to redeem any shares issued under Section 55.
- 8.2 Notwithstanding what is stated in Articles 8.1 above, in the event it is permitted by the Law and subject to such conditions, approvals or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own shares, whether or not there is any consequent reduction of Capital. If and to the extent permitted by Law, the Company shall also have the power to re-issue the shares so bought back.
9. The Company shall have power to issue Securities at a premium and shall duly comply with the provision of Sections 52 of the said Act.
10. The Company may, subject to the provisions of Section 55 of the said Act, issue preference shares which are liable to be redeemed and may redeem such shares in any manner provided in the said section and may issue shares up to the nominal amount of the shares redeemed or to be redeemed. Where the Company has issued redeemable preference shares the provisions of the said section shall be complied with. The manner in which such shares shall be redeemed, shall be as provided by Article 80 unless the terms of issue otherwise provide.

IV. SHARES AND SHAREHOLDERS

11. (1) The Company shall cause to be kept and maintained the following registers namely:
- (a) Register of members indicating separately for each class of equity and preference shares held by each member residing in India or outside India;
 - (b) Register of debenture-holders; and
 - (c) Register of any other security holders;
 - (d) including an index in respect of each of the registers to be maintained in accordance with Section 88 of the Act.
- (2) The Company shall also comply with the provisions of Sections 92 of the Act as to filing Annual Returns.
- (3) The Company shall duly comply with the provisions of Section 94 of the Act in regard to keeping of the Registers, Indexes, copies of Annual Returns and giving inspection thereof and furnishing copies thereof.
12. The shares in the capital shall be numbered progressively according to their several classes. Shares at the disposal of the Directors.
13. Subject to the provisions of the said Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any one of them to such persons on such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 54 of the Act) at a discount and at such times as they may from time to time think fit and proper and with the sanction of the Company in General Meeting to give to any person the option to call for or be allotted shares of any class of the Company either at par or at premium or subject aforesaid at a discount during such time and for such consideration and such option being exercisable at such times as the Directors



think fit and may allot and issue shares in the capital of the Company in lieu of services rendered to the Company or 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.

14. (1) The shares or other interest of any member in the Company shall be movable property transferable in the manner provided by the Articles of the Company.
(2) Each share in the Company having a share capital shall be distinguished by its appropriate number.
(3) A certificate under the Seal of the Company specifying any shares held by any Member shall be prima facie evidence of the title of the Member to such shares.
15. (1) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on those Shares shall be transferred to an amount to be called "the securities premium account", and the provisions of the Act relating to the reduction of the Share Capital of a company shall except as provided in this clause, apply as if the securities premium account were paid-up share capital of the Company.
(2) The securities premium account may be applied by the Company for the purposes permissible pursuant to the Act.
16. The Company shall comply with the provisions of Section 62 of the Act with regard to increasing the subscribed capital of the Company.
17. If and whenever as the result of issue of new shares or any consolidation or subdivision of shares, any shares become held by members in fractions the Directors shall subject to the provisions of the Act and the Articles and to the directions of the Company in general meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be effected by any irregularity or invalidity in the proceedings in reference to the sale.
18. An application signed by or on behalf of an applicant for shares in the Company followed by an allotment of shares therein, shall be an acceptance of shares within the meaning of these Articles;. The Directors shall comply with the provisions of Sections 39 and 40 of the Act so far as applicable.
19. The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposits, calls or otherwise in respect of any shares allotted by them, shall, immediately on the inscription of the name in the Register of Members as 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.
20. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares, falling under the same class.

Explanation: - For the purpose of this provision shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.
21. The Directors shall cause to be made the returns as to all allotments from time to time made in accordance with the provisions of Section 39 of the said Act.
22. If, by the conditions of allotment of any shares the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when, due, be paid to the Company by the person who for the time being and from time to time shall be of the shares or his legal representative.
23. Every member, or his executors or administrators or other representative, shall 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 Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.



24. If any share stands in the names of two or more persons all the joint-holders of the share shall be severally as well as jointly liable for the payment of all deposits, installments, and calls due in respect of such shares, and for all incidents thereof according to the Company's regulations; but the persons first named in the Register shall, as regards service of notice, and all other matters connected with the Company, except the transfer of the share and any other matter by the said Act or herein otherwise provided, be deemed the sole holder thereof.
25. Save as herein or by laws otherwise expressly provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognize any benami trusts whatsoever or equitable, contingent, future, partial 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 Directors shall, however be at liberty, at their sole discretion, to register any share in the joint names of any two or more persons, and the survivor or survivors of them.

V. CERTIFICATES

26. Subject to any statutory or other requirement having the force of law governing the issue and signatures to and sealing of certificate to shares and applicable to this Company for the time being in force the certificate of title to shares and the duplicate thereof when necessary shall be issued under the seal of the Company which shall be affixed in the presence of and signed by (1) two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and (2) the Secretary or some other person appointed by the Board for the purpose; a Director may sign a share certificate by affixing signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other materials used for the purpose.
27. (1) (i) Every member shall be entitled without payment to the certificate for all the Shares of each class or denomination registered in his name, or if the Board, so approve (upon paying such fees as the Board may from time to time determine) to several certificates, each for one or of such Shares and the Company shall complete such certificate within two months after the allotment or such period as may be determined at the time of the issue of such capital whichever is longer or within one month after registration of the transfer thereof as provided by Section 56 of the Act. Every certificate of shares shall have its distinctive number and be issued under the Seal of the Company and shall specify the number and denoting number of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Board shall prescribe or approve provided that in respect of share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and the delivery of a certificate for a share or shares to one of several joint-holders shall be deemed to be sufficient delivery to all.
- (ii) A certificate of shares registered in the names of two or more persons, unless otherwise directed by them in writing, may be delivered to any one of them on behalf of them all.
- (2) (i) Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form.
- (ii) Notwithstanding anything contained herein, the Company shall be entitled to treat the person whose names appear in the register of members as a holder of any share or whose names appear as beneficial owners of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as required by law) be bound to recognise 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.
- (iii) Notwithstanding anything contained herein, in the case of transfer of shares or other marketable securities where the Company has not issued any Certificates and where such shares or other marketable securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Further, the provisions relating to progressive numbering shall not apply to the shares of the Company which have been dematerialised.



28. (i) If any certificate be worn out, defaced, destroyed or lost or if there be no further space on the back thereof for endorsement of transfer, then upon production thereof to the Board, they, may order the same to be cancelled, and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Board and on such indemnity as the Board deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. A sum not exceeding ₹ 50/- shall be paid to the Company for every certificate issued under this clause, as the Board may fix from time to time, provided that no fee shall be charged for issue of new certificate in replacement of those which are old, worn, decrepit out or where the cages on the reverse for recording transfers have been fully utilised.
- (ii) The company may issue new share certificates pursuant to consolidation or sub division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate (s).

Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.

29. The Board may waive payment of any fee generally or in any particular case.
30. Every endorsement upon the certificate of any share in favour of any transferee thereof shall be signed by such person for the time being authorised by the Board in that behalf.
31. The Board shall comply with requirements prescribed by any Rules made pursuant to the said Act; relating to the issue and execution of share certificates.

VI. CALLS ON SHARES

32. Subject to the provisions of Section 49 of the said Act, the Board may, from time to time, by means of resolution passed at its meetings make such calls as they may think fit upon the members in respect of moneys unpaid on the share held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Board. A call may be made payable by installments.
33. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by members on a subsequent date to be specified by Directors.
34. Fourteen day's notice at least of every call made payable otherwise than on allotment shall be given by the Company in the manner hereinafter provided for the giving of notices specifying the time and place of payment, and the person to whom such call shall be paid. Provided that before the time for payment of such call the Board may by notice given in the manner hereinafter provided revoke the same. The Board may, from time to time at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who, the Board may deem fairly entitled to such extension; but no member shall be entitled to any such extension, except as a matter of grace and favour.
35. If by the terms of issue of any share or otherwise any amount is payable at any fixed time or by installments at fixed times, whether on account of the share or by way of premium, every such amount or installments shall be payable as if it were a call duly made by the Board and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or installments accordingly.
36. If the sum payable in respect of any call or such other amount or installments be not paid on or before the day appointed for payment thereof or any extension thereof as aforesaid, the holder for the time being of the share, in respect of which the call shall have been made, or such amount or installment shall be due, shall pay interest for the same, from the day appointed for the payment thereof to the time of actual payment at such rate not exceeding ten per cent per annum, as shall from time to time be fixed by the Board. Nothing in this Article shall however, be deemed to make it compulsory on the Board to demand or recover any such interest, and the payment of such interest, wholly or in part, may be waived by the Board if they think fit so to do.
37. Any money due from the Company to a member may, without the consent and notwithstanding the objection of such member, be applied by the Company in or towards the payment of any money due from him to the Company for calls or otherwise.



38. Neither a judgment nor a decree in favour of the Company for calls of other moneys due in respect of any shares nor any part-payment or satisfaction thereunder 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 shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the forfeiture of such shares as hereinafter provided.
39. On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives to recover any moneys claimed to be due to the Company for any call or other sum 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, appears entered on the Register of Members as the holder, or one of the holders, 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, and that the amount claimed is not entered as paid in the books of the Company or the Register of Members and 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 presents; and it shall not be necessary to prove the appointment of the Directors who made such call, not that a quorum of Directors was present at the meeting of the Board at which such call was made, nor that the meeting at which such call was made duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debts, and the same shall be recovered by the Company against the member or his representatives from whom the same is sought to be recovered unless it shall be proved, on behalf of such member or his representatives against the Company that the name of such member was improperly inserted in the register, or that the money sought to be recovered has actually been paid.
40. (1) The Board may, if they think fit, subject to the provisions of Section 50 of the Act receive from any member willing to advance the same, either in money or money's worth the whole or any part of the amount remaining unpaid on the shares held by him beyond the sum actually called up and upon the moneys so paid or satisfied in advance, or so much thereof, as from time to time and at any time thereafter exceeds the amount of the calls then made upon and due respect of the shares on account of which such advances have been made, the Company may pay or allow interest at such rate as the member paying such advance and the Board agree upon; provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such member so much of money as shall then exceed the amount of the calls made upon such shares, unless there be an express agreement to the contrary; and after such repayment such member shall be liable to pay, and such advance had been made, provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the member to the Company for installments or calls, or any other manner, the member making such advance shall be entitled (as between himself and the other members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital.
- (2) The member making such advance shall not, however, be entitled to any voting rights in respect of the moneys so advanced by him until the same would, but for such payment, become presently payable.

VII. FORFEITURE OF AND LIEN ON SHARES

41. If any member fails to pay any money due from him in respect of any call made or amount or installment as provided in Article 35 on or before the day appointed for payment of the same, or any such extension thereof as aforesaid or any interest due on such call or amount or installment or any expenses that may have been incurred thereon, the Directors or any person authorised by them for the purpose may, at any time thereafter, during such time as such money remains unpaid, or a judgement or a decree in respect thereof remains unsatisfied in whole or in part, serve a notice in the manner hereinafter provided for the serving of notices on such member or any of his legal representatives or any of the persons entitled to the share by transmission, requiring payment of the money payable in respect of such share, together with such interest and all expenses (legal or otherwise) incurred by the Company by reason of such non-payment.
42. The notice shall name a day (not earlier than the expiration of fourteen days from the date of the notice) and a place or places on or before and at which the money due as aforesaid is to be paid. The notice may also state that



in the event of the non-payment of such money at or before the time and the place appointed, the shares in respect of which the same owed will be liable to be forfeited.

43. If the requirements of any such notice as aforesaid are not complied with, every or any share in respect of which the notice is given may, at any time thereafter before payment of all calls or amounts or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture.
44. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture or to any of his legal representatives, or to any of the persons entitled to the share by transmission and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members. The provisions of this Article are, however, directory only and no forfeiture shall in any manner be invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
45. Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of the same, either to the original holder thereof or to any other persons, and either by public auction or by private sale and upon such terms and in such manner as the Directors shall think fit.
46. In the meantime, and until any share so forfeited shall be sold, re-allotted or otherwise dealt with as aforesaid, the forfeiture thereof may at the discretion and by a resolution of the Board, be remitted or annulled as a matter of grace and favour but not as of right, upon such terms and conditions as they think fit.
47. Any member whose shares have been forfeited shall, notwithstanding the forfeiture, remain liable to pay and shall forthwith pay to the Company all calls, amounts, installments, interest 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 the rates, not exceeding ten percent per annum as the Board may determine, in the same manner in all respects as if the shares had not been forfeited, without any deduction or allowance for the value of the shares at the time to the forfeiture and the Board may enforce the payment thereof if they think fit (but without being under any obligation so to do) without entitling such member or his representative to any remission of such forfeiture or to any compensation for the same, unless the Directors shall think fit to make such compensation, which they shall have full power to do, in such manner and on such terms on behalf of the Company as they shall think fit.
48. The forfeiture of a share shall involve the extinction of all interest in and of all claims and demands against the Company of the member in respect of the share and all other right of the member incident to the share except only such of those rights as by these Article are expressly saved.
49. The Directors may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering those on such terms as they think fit.
50. A certificate in writing, under signature of one Director and countersigned by any other person who may be authorised for the purpose by the Board, that the call, amount or installment in respect of a share was made or was due or the interest in respect of a call, amount or installment was or the expenses were payable, as the case may be, the notice thereof as aforesaid was given and default in payment was made and that the forfeiture of the share was made by a resolution of the Board to the effect, shall be conclusive evidence of the facts stated therein as against all persons entitled to or interested in such share.
51. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and shall not be bound to see to the application of the consideration, 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.
52. The Company shall have a first and paramount lien upon all the shares not being fully paid-up shares, registered in the name of each member (whether solely or jointly with another or others) and upon the proceeds of sale thereof, for all moneys from time to time due or payable by him to the Company for calls made and all amounts or installments as provided by Article 35 payable in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that Article 25 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the



registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Board may at any time declare any shares to be exempt, wholly or partially from the provisions of this Article.

53. For the purpose of enforcing such lien, the Directors may sell, the shares subject thereto in such manner as they think fit and transfer the same to the name of the purchaser, without any consent and notwithstanding any opposition on the part of the indebted member or any other person or persons interested therein and a complete title to the shares which shall be sold and transferred shall be acquired by the purchaser, by virtue of such sale and transfer, against such indebted member and all persons claiming with or under him whether he may be indebted to the Company in point of fact or not. But no such sale shall be made until notice in writing stating the amount due or specifying the liability of engagement and demanding payment or fulfillment or discharge thereof and of the intention to sell in default shall have been served upon such member or his heirs, executors, administrators, representatives or persons and default shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements for seven days after such notice.
54. The net proceeds of any such sale after payment of the costs of such sale, shall be applied in or towards the satisfaction of such debts liabilities or engagements and the residue (if any) paid to such or any of his executors, administrators, representatives or assigns or any of the persons (if any) entitled by transmission to the shares sold.
55. Upon any sale after forfeiture or upon any sale for enforcing a lien, in purported exercise of the powers hereinbefore given, the Directors may appoint some person or persons to execute an instrument of transfer of the shares sold.
56. Upon any such sale after forfeiture or for enforcing a lien in purported exercise of powers the Board shall cause the purchaser's name to be entered in the Register in respect of the shares sold and shall issue to the purchaser a certificate such as is specified in Article 50 hereof in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

VIII. TRANSFER AND TRANSMISSION OF SHARES

57. The Company shall keep a book called the 'Register of Transfers' and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share in the Company.
58. No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer (which shall be in the form specified in the Rules) shall be duly stamped, dated and shall be executed by or on behalf of the transferor and the transferee and in the case of a share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint-holders or by all such joint transferees, as the case may be, several executors or administrators of a deceased member proposing to transfer the shares registered in the name of such deceased member shall all sign the instrument of transfer in respect of the share as if they were the joint-holders of the share. The instrument of transfer shall specify the name, address and occupation, if any, of the transferee.
59. In the case of the death of any one or more of the persons named in the Register as the joint-holders of any share, the survivor or survivors shall be the only persons recognised 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 the deceased joint-holder from any liability on the shares held by him jointly with any other person.
60.
 - (1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
 - (2) Where there is no, nominee, the executors or administrators of a deceased member not being one of several joint-holders shall be the only persons recognised by the Company as having any title to the shares registered in the name of such deceased member, and the Company shall not be bound to recognise such executors or administrators, unless they shall have first obtained probate or letters of administration or other legal representation, as the case may be, provided nevertheless, the Directors, in any case where they



in their absolute discretion think fit, may dispense with the production of Probate or Letters of Administration or such other legal representation, upon such terms as to indemnity or otherwise as they may deem fit and under the next Article, register 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 in respect of such shares.

- (3) The Board shall not refuse the registration of transfer 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.
61. Subject to the provisions of the last preceding Article, any person to whom the right to any share has been transmitted in consequence of the death or insolvency of any member or otherwise by operation of law may, with the consent of the Board (which they shall not be under any obligation to give) and upon his producing such evidence that he sustains the character in respect of which he proposes to act under the Article and of his title as the Directors think sufficient be registered as a member in respect of such shares. This clause is hereinafter referred to as the 'transmission clause'. A transfer of the share or other interest 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 effecting the transmission.
62. Every transmission of a share shall be verified in such a manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient; provided nevertheless, that there shall not be any obligation on the Company or the Directors to accept any indemnity, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
63. A person entitled to share by transmission may, until the Directors otherwise determine as provided in Article 129, receive and give discharge for any dividends, bonuses or other moneys payable in respect of the share, but he shall not be entitled to vote at any meetings of the Company and to any of the rights and privileges of a member, unless and until he shall have become a member in respect of the shares.
64. An application for the registration of a transfer of shares or other interest of a member in the Company may be made either by the transferor or the transferee. Where such 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 delivery of the notice.
65.
 - (1) It shall not be lawful for the Company to register a transfer of any shares unless the proper instrument of transfer duly stamped, dated and executed by or on behalf of the Transferor and by or on behalf of the Transferee and specifying the name and address and occupation of the Transferee has been delivered to the Company along with the scrip and if no such scrip is in existence, along with the letter of allotment of the shares. Where the proper instrument of transfer is not received by the Company within a period of two months from the date on which the instrument is dated, the Directors may at their sole discretion be entitled to seek such documentation including indemnities as it may deem fit, from both the transferor and transferee, or from the person who has lodged the same for transfer, and the Board may at its sole discretion be entitled to give effect to the transfer on receipt of such documentation and indemnities (save where an order of a competent court is produced, the Board shall then give effect to the transfer).
 - (2) If the Company refuses to register the transfer of any shares, the Company shall within one month from the date on which the instrument of transfer is lodged with the Company send to the Transferee and the Transferor notice of the refusal as provided in Article 66.
 - (3) Nothing in clause (1) shall prejudice any power of the Company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.
 - (4) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.
66. The Board may, at its absolute and uncontrolled discretion and without assigning or being under any obligation to give any reason, decline to register or acknowledge any transfer or transmission of shares and in particular, may so decline in any case in which the Company has a lien upon the shares or any of them or in the case of shares not fully paid-up whilst any moneys called or payable at a fixed time in respect of the shares desired to be



transferred or any of them remain unpaid or unless the transferee is approved by the Board. Nothing in Section 56 of the Act shall prejudice this power to refuse to register the transfer of or the transmission by operation of law of the right to, any shares or interest of a member in or debentures of the Company. The registration of a transfer shall be conclusive evidence of the approval by the Board of the transferee, but so far only as regards the share or shares in respect of which the transfer is so registered and not further or otherwise and not so as to debar the Board to refuse registration of any further shares applied for. If the Board refuses to register the transfer or transmission of any shares notice of the refusal shall within two months from the date on which the instrument of transfer on intimation of transmission was delivered to the Company be sent to the Transferee and the Transferor or to the person giving intimation of the transmission, as the case may be.

67. The Transferor shall be deemed to remain the holder of the shares until the name of the transferee shall be entered in the Register of Members.
68. Every instrument of transfer which shall be registered shall remain in the custody of the Company. If the transfer relates to the only share or all the shares comprised in the certificate, such certificate or a new certificate in lieu thereof shall, after the registration of the transfer, be delivered to the transferee and if the transfer relates only to a part of the shares comprised in the certificate, the same shall, on registration of the transfer be retained by the Directors and cancelled and new certificates will be issued to the transferor and the transferee in respect of the shares respectively, held by them.
69. The Directors shall have power on giving seven days' notice by advertisement as required by Section 91 of the Act to close the Transfer Book and Register of Members of such period or periods of time in every year as to them may seem expedient, but not exceeding 45 days in any year and not exceeding 30 days at any one time.
70. 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 an apparent legal owner thereof (as shown or appearing in the Register of Members), to the prejudice of any person or persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right title or interest or 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 books of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.
71. The provision of these Articles shall mutatis mutandis apply to the transfer or transmission by operation of law of debentures of the Company.

IX. ALTERATION OF SHARE CAPITAL

72. The Company may by Ordinary Resolution so alter the conditions of its Memorandum of Association as :-
 - (1) to increase its share capital by such amount as it thinks expedient by issuing new shares;
 - (2) to consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (3) to convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denominations;
 - (4) to sub-divide its shares or any of them into shares of smaller amount than is fixed by its Memorandum of Association, so however that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
 - (5) to cancel any shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
73. The Directors may from time to time without any sanction of the Company, whenever all the shares in the issued capital shall not have been subscribed and whether all the shares for the time being subscribed shall have been



fully called up or not, issue further shares of such value as they may think fit out of the unsubscribed balance of the issued capital. Such further shares shall be issued upon such terms and conditions (and if preference shares upon such conditions as to redemption) and with such rights and privileges annexed thereto as the Board shall direct and in particular, such shares may be issued with a preferential or qualified right to dividend and in the distribution of assets of the Company and subject to the provisions of Section 47 of the said Act with a special or without any right of voting and the Board may dispose of such shares or any of them either at par or at a premium, to any members or any class thereof or in such other manner as the Board may think most beneficial to the Company.

74. (1) Where it is proposed to increase the subscribed capital of the Company by the issue of new shares:
- (i) such new 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 these shares at that date;
 - (ii) the offer aforesaid shall be made by 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;
 - (iii) 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 shall contain a statement of this right;
 - (iv) after the expiry of the time specified in the notice aforesaid 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 as they think most beneficial to the Company.
 - (v) To employees under a scheme of employees' stock option, subject to Special Resolution passed by the company and subject to such conditions as may be specified in the relevant Rules.
 - (vi) To any persons, by way of passing a Special Resolution to that effect, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be specified in the relevant Rules.
- (2) Whenever any shares are to be offered to the members the Directors may dispose of any such shares which, by reason of the proportion borne by them to the number of persons entitled to such offer or by reason of any other difficulty in apportioning the same cannot in the opinion of the Directors be conveniently offered to the members.
- (3) The right to issue further shares provided in this clause, shall include a right to the Company, to issue any instrument, including Global Depositary Receipt.
75. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by creation of new shares shall be considered as part of the capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer, transmission, forfeiture, lien, surrender; voting and otherwise in all respects as if it had been the original capital.
76. The Directors shall, whenever there is a change in the share capital, file with the Registrar of Companies notice of the increase of the capital as provided by Section 64 of the said Act within thirty days after the passing of the resolution authorising the increase.
77. (1) When any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein or any part of such interest, in the same manner and subject to the same regulations as and subject to which shares in the Company's capital may be transferred or as near thereto as circumstances will admit. But the Board may from time to time, if they think fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but with full power, nevertheless, at the discretion to waive such rules in any particular case.



(2) Notice of such conversion of shares into stock or reconversion of stock into shares shall be filed with the Registrar of Companies as provided in the said Act.

78. The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted but no such privileges or advantages, except the participation in profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such aliquot part of, consolidated stock as would not, if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special holders of the share and authenticated by such evidence (if any) as the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares and the words “share” and “shareholder” in these presents shall include “stock” and “stockholder”.

X. REDUCTION OF CAPITAL

79. The Company may from time to time by Special Resolution, in such manner specified in the Act and subject to such consents as may be required under any other law for the time being in force, reduce in any manner:

- (1) its share capital
- (2) any capital redemption reserve account; or
- (3) any securities premium account.

80. (1) Subject to the provisions of Section 55 of the said Act, whenever any preference shares are issued which are or at the option of the Company are to be liable to be redeemed, the following provisions shall take effect :

(i) No such shares shall be redeemed except out of the 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.

(ii) No such shares shall be redeemed unless are fully paid.

(iii) The premium, if any payable on redemption must be provided for out of the profits of the Company or out of the Company’s Securities Premium Account before the shares are redeemed.

(iv) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall, out of profits which would otherwise have been available for dividend be transferred to the Capital Redemption Reserve Account, a sum equal to the nominal amount of the share redeemed.

(2) Subject to the provisions of Section 55 of the Act and these Articles 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 such terms and conditions in such manner as the Directors may think fit.

(3) The redemption of preference shares under this provision by the Company shall not be taken as reducing the amount of its authorised share capital.

(4) Where the Company has redeemed or is about to redeem any preference shares, it shall never have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly the share capital of the Company shall not, for the purpose of calculating the fees payable under Section 385 of the said Act, be deemed to be increased by the issue of shares in pursuance of this Article. Provided that, where new shares are issued before the redemption of the old shares, the new shares shall not so far as related to stamp duty, be deemed to have been issued in pursuance of this Article unless the old shares are redeemed within one month after the issue of the new shares.



- (5) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

XI. MODIFICATION OF RIGHTS

81. (1) Whenever the share capital by reason of 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 Act, be varied, commuted, affected, abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that class provided such agreement is ratified in writing by holders of at least three-fourths of nominal value of the issued shares of the class or is sanctioned by Special Resolution passed at a separate meeting of the holders of the shares of that class and supported by the votes of the holders of not less than three-fourths of the shares of that class.
- (2) This Article is not to derogate from any power the Company would have if this Article were omitted and in particular the powers under Chapter XV of the said Act or Chapter V of the Companies Act, 1956, whichever is in force for the time being.

The dissentient members shall have the right to apply to Tribunal in accordance with the provisions of Section 48 of the Act.

XII. JOINT HOLDERS

82. (1) Where two or more persons are registered as the holders of any Securities they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles.
- (2) The Company shall be entitled to decline to register more than three persons as the joint holders of any Securities.
- (3) The joint holders of any Security shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such Securities.
- (4) On the death of any one or more of such joint holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Board may require such evidence of death as they may deem fit and 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.
- (5) Any one of such joint holders may give effectual receipts for any dividends or other moneys payable in respect of such Security.
- (6) Only the person whose name stands first in the Register of Members (or the relevant register maintained for that Security) as one of the joint holders of any shares shall be entitled to delivery of the certificate relating to such or to receive notices (which expression shall be deemed to include all Documents) from the Company and any notice given to such person shall be deemed notice to all the joint holders.
- (7) Any one of two or more joint holders may vote at any meeting (including voting by postal ballot and by electronic voting) either personally or by an agent duly authorised under a power of attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney that one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such Security shall alone be entitled to vote in respect thereof. 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 authorised under a power of attorney or by proxy although the name of such persons present by an agent or proxy stands first in the Register in respect of such shares. Several executors of a deceased member in whose (deceased member's) sole name any Security stands shall for the purpose of this sub-clause be deemed joint holders.



XIII. GENERAL MEETING

83. The Company shall, in addition to any other meetings which are hereinafter referred to as “Extraordinary General Meeting”, hold a General Meeting which shall be styled its Annual General Meeting at the intervals and in accordance with the provisions of the Act.
84. The Directors may call Extraordinary General Meetings of the Company whenever they think fit and such meetings shall be held at such place and time as the Directors think fit.
85. (1) If the default is made in holding an Annual General Meeting in accordance with Section 96 of the Act, the Tribunal may, notwithstanding anything in the Act, (or in the Articles of the Company) on the application of any member of the Company, call or direct the calling of a General Meeting of the Company, and give such ancillary or consequential directions as the Central Government thinks expedient in relation to the calling, holding and conducting of the meeting.

Explanation: - The directions that may be given, may include a direction that one member of the Company so present in person or by proxy shall be deemed to constitute a meeting.

- (2) A General Meeting held in pursuance of sub-clause (i) shall subject to any directions of the Tribunal be deemed to be an Annual General Meeting of the Company.
86. (1) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in sub-clause (4) forthwith proceed duly to call an Extraordinary General Meeting of the Company.
- (2) The requisition shall set-out the matters for the consideration of which the meeting is to be called shall be signed by the requisitionists and shall be sent to the Registered Office of the Company.
- (3) The requisition may consist of several documents in like form each signed by one or more requisitionists.
- (4) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold both on the date of such requisition and on the date of receipt of the requisition not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter.
- (5) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (4) shall apply separately in regard to each such matters and the requisition shall accordingly be valid only in respect of these matters in respect to which the conditions specified in that sub-clause is fulfilled.
- (6) If the Board does not, within twenty one days from the date of the receipt 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.
Explanation:- For the purposes of this sub-clause, the Board shall in the case of a meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114.
- (7) A meeting called under sub-clause (6) by the requisitionists or any of them -
- (a) shall be called in the same manner as nearly as possible as that in which meetings are to be called by the Board; but
- (b) shall not be held after the expiration of three months from the date of the deposit of the requisition.
- (c) shall convene meeting at Registered office or in the same city or town where Registered office is situated and such meeting should be convened on working day.



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- (8) Where two or more persons hold any shares or interest in a Company jointly, a requisition or a notice calling a meeting signed by one or only some of them shall for the purposes of this Section have the same force and effect as if it has been signed by all of them.
- (9) Any reasonable expenses incurred by the requisitionists by reasons of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.
87. (1) A General Meeting of the Company may be called by giving at least clear twenty one day's notice in writing or through electronic mode but a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than ninety five percent of the members entitled to vote at such meeting. Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at meeting and not on others, those members shall be taken into account for the purposes of this clause in respect of the former resolution or resolutions and not in respect of the latter.
- (2) Notice of every general meeting of the Company shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted thereat.
- (3) Such notice shall be given -
- (I) to every member of the Company, legal representative of any deceased Member or the assignee of an insolvent Member;
- (ii) to the auditor or auditors of the Company; and
- (iii) to every Director of the Company.
- (iv) to every trustee for the debenture holder of any debentures issued by the Company.
- (4) The accidental omission to give notice to or the non-receipt of notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
- (5) 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 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.
- (6) Where any items of business to be transacted at the meeting are deemed to be special as provided in Article 88 there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business namely :
- (a) The nature of concern or interest, financial or otherwise, if any of the following persons, in respect of each item of:
- (i) every Director and the Manager; if any;
- (ii) every other Key Managerial Personnel; and
- (iii) relatives of the persons mentioned in sub-clause (i) and (ii);
- (b) Any other information and facts that may enable members to understand the meaning, scope and implementation of the items of business and to take decision thereon.
- (7) Where any item of business consists of the according of approval to any document by the meeting the time and place where the document can be inspected shall be specified in the statement aforesaid.
88. 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 the Financial Statements, (including the



consolidated financial statements, if applicable), and the Reports of the Board of Directors and Auditors, (ii) the declaration of a 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. In the case of any other meeting all business shall be deemed special.

89. Upon a requisition of members complying with Section 111 of the said Act, the Directors shall comply with the obligations of the Company under the said Act relating to circulation of members' resolutions and statements.
90. A certificate in writing, signed by the Secretary or by a Director or some officer or agent appointed by the Board for the purpose, to the effect that according to the best of its belief the notices convening the meeting have been duly given shall be prima facie evidence thereof.
91. The Board, and the persons authorised by it, shall have the right to take and/or make suitable arrangements for ensuring the safety of any meeting-whether a general meeting or a meeting of any class of Security, or of the persons attending the same, and for the orderly conduct of such meeting, and notwithstanding anything contained in this Articles, any action, taken pursuant to this Article in good faith shall be final and the right to attend and participate in such meeting shall be subject to the decision taken pursuant to this Article.

XIV. PROCEEDINGS AT GENERAL MEETINGS AND ADJOURNMENT THEREOF

92. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business a statement of which has not been specified in the notice convening the meeting except as provided in the said Act.
93. No business shall be transacted at any General Meeting, unless the requisite quorum is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be the presence in person of such number of members as specified in Section 103 of the Act. Subject to Article 82(7) when more than one of the joint-holders of a share is present only one of them shall be counted for ascertaining the quorum. Several executors or administrators of a deceased person in whose sole name shares stand shall for the purpose of this clause be deemed joint holders thereof.
94. If, within half an hour from the time appointed for holding the meeting, a quorum of members is not present, the meeting if convened by or upon such requisition of members as aforesaid shall be dissolved, but in any other case it shall stand adjourned pursuant to the provisions of sub-section (2) of section 103 of the Act.
95. If at such adjourned meeting a quorum of members is not present within half an hour from the time appointed for holding the meeting, the members present, whatever their number, shall be a quorum and may transact the business and decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place, if a quorum had been present thereat.
96. The Chairman of the Board (whether Member or not) shall if present and willing, be entitled to take the chair at every General Meeting, whether Annual or Extraordinary, but if there be no such Chairman or in case of his being present or being unwilling or failing to take the chair within fifteen minutes of the time appointed for holding such meeting, the members present shall choose another Director (whether Member or not) as Chairman and if all the Directors present decline to take the chair or if there be no Director present, then the members present shall choose one of their own members to be Chairman of the meeting. If a poll is demanded it shall be taken forthwith in accordance with the provisions of sub-section (2) of section 104. The Chairman elected on a show of hands shall exercise all the powers of the Chairman for the purpose of such poll. If some other person is elected Chairman as a result of such poll, he shall be the Chairman for the rest of the meeting.
The Chairman be permitted to hold the position of both the Chairman of the Board and/or General Meeting as well as Managing Director/CEO/equivalent position thereof in the Company as per the recommendations of the appropriate committee of the Directors and approved by the Board of Directors and as permitted by applicable laws from time to time.
97. No business shall be transacted at any General Meeting, except the election of Chairman, whilst the chair is vacant.
98. The Chairman may, with the consent of a majority of the members personally present at any meeting, adjourn such meeting from time to time and from place to place in the city, town or village where the Registered Office



of the Company be situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. A resolution passed at an adjourned meeting of the Company shall 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.

99. Whenever any meeting is adjourned for thirty days or more notice of such adjourned meeting shall be given as in the case of an original meeting.
100. (1) At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 109, or if the voting is carried out electronically be decided on a show of hands. Such voting in a general meeting or by postal ballot shall also include electronic voting in a General Meeting or Postal Ballot as permitted by applicable laws from time to time.
- (2) A declaration by the Chairman in pursuance of clause (1) hereof that on a show of hands a resolution has or has not been carried or has or has not been carried either unanimously or by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.
101. In case of an equality of votes the Chairman of any meeting shall both on the show of hands and at a poll (if any) held pursuant to a demand made at such meeting, have a second or casting vote.
102. (1) (a) 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 and of all proceedings at meetings of its Board of Directors or of committees of the Board, to be entered in books kept for the purpose
- (b) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (c) All appointments of officers made at any time of the meetings aforesaid shall be included in the minutes of the meeting.
- (d) In case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain :
- (i) the names of the Directors present at the meeting; and the names of the Directors who are present through video or other audio-visual means.
- (ii) in the case of each resolution passed at the meeting, the name of the Directors, if any, dissenting from or not concurring on the resolution.
- (e) There shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting :
- (i) is or could reasonably be regarded as defamatory of any person;
- (ii) is irrelevant to the interests of the Company; or
- (iii) is detrimental to the interests of the Company.
- Explanation: -
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 Article.
- (2) Any such minute, if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings.
- (3) Where the minutes have been kept in accordance with clause (1) hereof; then until the contrary is proved, the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and the resolution passed by circulation, postal ballot or other permitted means shall be construed to have been duly passed, and in particular all appointments of Directors, Key Managerial Personnel, Auditors or Company Secretary in practice, made at the meeting shall be deemed to be valid, including the matters that are required to be transacted at a meeting of the Board as specified in Section 179 of the said Act.
103. (1) The books containing the minutes of the proceedings of General Meetings of the Company shall



- (a) be kept at the registered office of the Company; and
- (b) be open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may impose so however that not less than two hours in each day are allowed for inspection.

- (2) Any member shall be entitled to be furnished within seven working days after he has made request in that behalf to the Company with a copy of any Minutes referred to in sub-clause (1) on payment of Rs.10/- for every page or part thereof required to be photocopied and that the Company shall comply with provisions of Section 119 of the Act.

104. The provisions contained in Article 103 shall mutatis mutandis apply to other registers maintained under the provisions of the said Act, that can be inspected by an eligible person.

105. No document purporting to be a report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

XV. VOTING RIGHTS AND PROXY

106. No member shall be entitled to exercise any voting right on any question either personally or by proxy or upon poll (including voting by electronic means) 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 or has exercised any right of lien.

107. A member is not prohibited from exercising his voting right on the ground that he has held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 106.

108. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or at a poll by his committee or other legal guardian and not otherwise, and any such committee or guardian may, on a poll, vote by proxy.

109. Notwithstanding anything contained in this Articles, where the title to any Securities is under dispute before any court, where no injunction subsists (or direction made) as to the exercise of voting rights or other rights of a member including the rights attached to such Securities, the Board shall be entitled to suspend any such right aforesaid.

110. A Member being a Body Corporate (whether a company within the meaning of the said Act or not) may by resolution of its Board of Directors or other governing body authorise such persons 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. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the Body Corporate which he represents as that body could exercise if it were a member, creditor or holder of debentures of the Company.

111. (1) Subject and without prejudice to any special privileges or restrictions or conditions for the time being attached to or affecting the preference or other special classes of shares, if any, issued by and for the time being forming part of the capital of the Company every member, entitled to vote under the provisions of these presents and not disqualified by the provisions of Articles 106, 108 and 109 or by any other Article shall on a show of hands have one vote and upon a poll every member, present in person or proxy or agent duly authorised by a power-of-attorney or representative duly authorised and not disqualified as aforesaid, shall have voting rights in proportion to his share of the paid-up equity capital of the Company subject however to any limits imposed by law. But no member shall have voting right in respect of any moneys paid in advance as provided by Article 40(b).

(2) No member not personally present shall be entitled to vote on a show of hands unless such member is a Body Corporate present by proxy or by a representative duly authorised under Section 113 of the Act in which case such proxy or representative may vote on a show of hands as if he were a member of the Company.



- (3) A Member may exercise his vote, in respect of items of business to be transacted for which notice is issued, by electronic means in accordance with Section 108, and shall vote only once.
112. 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. A member or his proxy who votes shall be deemed to have used all his votes unless he expressly gives written notice to the contrary at the time he casts any votes.
113. Any member 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 but a proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll. A person shall (a) not act as proxy for more than 50 Members and holding in aggregate not more than 10% of the total share capital of the Company; (b) not act as proxy for more than one Member, if that Member holds more than 10% of the total share capital of the Company.
114. The instrument appointing a proxy shall be in writing and shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a Body Corporate such instrument shall be under its seal or be signed by an officer or an attorney duly authorised by it, or by the persons authorised to act as the representative of such company under Article 110. Any instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or join in the demand for a poll on behalf of the appointer, where a poll has not been ordered to be carried out electronically.
115. No instrument of proxy shall be treated as valid and no person shall be allowed to vote or act as proxy at any meeting under an instrument of proxy, unless such instrument of proxy and power-of-attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall have been deposited at the Registered Office of the Company at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the persons named in such instrument proposes to vote. An instrument appointing a proxy or an attorney permanently or for a certain period once registered with the Company need not be again registered before each successive meeting and shall be in force until the same shall be revoked. Notwithstanding that a power-of-attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or to attorney at least seven days before the date of a meeting require him to produce the original power-of-attorney or authority and unless the same is thereupon deposited with the Company the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.
116. If any such instrument of appointment be confined to the objects of appointing an attorney or proxy or substitute, it shall remain, permanent or for such time as the Directors may determine in the custody of the Company and if embracing other objects, a copy thereof, examined with the original shall be delivered to the Company to remain in the custody of Company.
117. The instrument appointing a proxy whether for a specified meeting or otherwise shall be in Form MGT-11.
118. (1) A vote given in pursuance of an instrument of proxy shall be valid, notwithstanding the previous death of the principal or the revocation of the proxy or any power-of-attorney under which such proxy was signed or the transfer of the shares in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the vote is given.
- (2) In case of e-voting, a Member shall be deemed to have exercised his voting rights by himself, even if any other person had voted using the login credentials of that Member.
119. No objection shall be made to the validity of any vote except at the meeting or adjourned meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy, and not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.
120. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting and the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The Chairman shall be assisted by a scrutinizer, appointed by the Board for this purpose.



XVI. CAPITALISATION OF PROFITS AND DIVIDENDS AND ISSUE OF BONUS SHARES

121. The Company in General Meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits, and may fix the time for the payment thereof.
122. Any share holder whose name is entered in the Register of Members of the Company shall enjoy the rights and be subject to the same liabilities as all other shareholders of the same class.
123. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.
124. Unless the Company otherwise resolves, dividends shall be paid in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some share than on others. Provided always that any capital paid up on a share during the period in respect of which a dividend is declared shall unless otherwise resolved be only entitled the holder of such share to a proportionate amount of such dividend from the date of payment.
125. Capital paid-up in advance of calls shall not confer a right to dividend or to participate in profits.
126. No dividends shall be payable except out of profits of the Company of the year or any other undistributed profits and no dividend shall carry interest against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
127. The Directors may, from time to time, declare and pay to the members such interim dividend as in their judgment the position of the Company justifies.
128. No member shall be entitled to receive payment of any dividend in respect of any share or shares on which the Company has a lien, or whilst any amount due or owing from time to time to the Company, either alone or jointly with any other person or persons, in respect of such share or shares, or on any other account whatsoever, remains unpaid, and the Directors may retain, apply and adjust such dividend in or towards satisfaction of all debts, liabilities, or engagements in respect of which the lien exists, and of all such money due as aforesaid.
129. The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member, or which any person under the same clause is entitled to transfer, until such person shall become a member in respect thereof or shall duly transfer the same.
130. (1) A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
(2) No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his bankers or any other person as permitted by applicable law.
131. All dividends shall be paid by the cheque, or warrant in respect thereof shall be posted within thirty days of the date on which such dividend is declared by the Company. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by forged endorsements on any cheque or warrant, or the fraudulent or improper recovery thereof by any other means.
132. Notice of the declaration of any dividend whether interim or otherwise, shall be given to the members in the manner hereinafter provided for giving of notice to member.
133. The Directors may, if they think fit, call upon the members, when applying for dividends, to produce their share certificates to such person or persons appointed by them in that behalf.
134. Any one of several persons who are registered as joint-holders of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.
135. No dividend shall be payable except in cash.



Provided that nothing herein shall be deemed to prohibit the capitalisation of 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 the members of the Company.

Provided further that any dividend payable in cash may be paid in cheque or warrant or in any electronic mode to the Member entitled to the payment of the dividend.

136. (1) Any General Meeting declaring a dividend may make a Call on the Members of such amount as the meeting fixes and so that the Call be made payable at the same time as the dividend, and the dividend may, if so resolved by the Company in General Meeting be set off against the Calls.
- (2) No unclaimed dividend shall be forfeited, and unclaimed dividend shall be dealt with in accordance with the applicable provisions of the Act. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.
137. (1) A General Meeting of the Members, In a meeting in person or proxy or, through Postal Ballot or, by any other means, as may be permitted may on the recommendation of the Board, direct capitalisation of the whole or any part of the undivided profits for the time being of the Company or the whole or any part of the Reserve Fund or other funds of the Company including the moneys in the Securities Premium Account and the Capital Redemption Reserve Account or the premiums received on the issue of any shares, debentures or debenture-stock of the Company and that such sum be accordingly set free for the purpose, (1) by the issue and distribution, among the holders of the shares of the Company or any of them, in accordance with their respective rights and interests and in proportion to the amounts paid or credited as paid up thereon, of paid-up shares, debentures, debenture-stock bonds or other obligations of the Company, or (2) by crediting any shares of the Company which may have been issued and are not fully paid up, in proportion to the amounts paid or credited as paid up thereon respectively, with the whole or any part of the same.
- (2) For the purposes above set out the Company may, subject to the provisions contained in section 63, apply: (i) its free reserves, (ii) the Securities Premium Account subject to the provisions of Section 52(2) of the said Act; (iii) the Capital Redemption Reserve Fund subject to the provisions of Section 55(4) of the said Act; and (iv) such other reserves or account as may be applied for issue of bonus shares.
138. The Board shall have the right to fix a date for the purpose of determining the Members who are entitled to the payment of the dividend, or shares pursuant to the capitalisation of reserves, and for any other action of the Company that requires determination of the details of Members.

XVII. ACCOUNTS

139. (1) The Directors shall keep or cause to be kept at the Registered Office of the Company or at such place in India as the Board thinks fit proper books of accounts in respect of:
- (i) all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place;
- (ii) all sales and purchase of goods by the Company; and
- (iii) the assets and liabilities of the Company.
- (iv) The items of cost, if any- as specified in the relevant Rules.
- (2) Proper books of account shall also be kept at each branch office of the Company, whether in or outside India, relating to the transactions of that office and proper summarised returns made up to dates at intervals of not more than three months shall be sent by each branch office to the Company at its Registered Office of the Company or the other place referred to in clause (1) hereof.
- (3) The books of account referred to in clause (1) and (2) shall be such books as are necessary to give a true and fair view of the state of affairs of the Company or such branch office and to explain its transaction.



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- (4) The books of accounts and other Books and Papers shall be open to inspection by any Directors during business hours.
- (5) The Directors shall comply in all respects with Sections 128, 129, 133, 134, 136, to 138 of the said Act and any statutory modifications thereof.
140. The Directors shall, from time to time, determine whether and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the members not being Directors; and no member (not being a Director) shall have any right of inspection of any account or book or document of the Company except as conferred by law or authorised by the Directors.
141. Subject to Section 129 of the Act at every Annual General Meeting of the Company the Directors shall lay before the Company a Financial Statements for each financial year.
142. The Financial Statements shall give a true and fair view of the state of affairs of the Company at the end of the period of the account.. Financial Statements shall comply with the provisions of Section 129 and 133 of the said Act.
143. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act.
144. The Directors shall make out and attach to every Balance Sheet laid before the Company in General Meeting a Report of the Board of Directors which shall comply with the requirements of and shall be signed in the manner provided by Section 134 of the said Act.
145. (1) A copy of every Financial Statements (including consolidated Financial Statements, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Financial Statement) which is to be laid before the Company in General Meeting shall not less than twenty one days before the date of meeting be sent to every member, every trustee for the debenture holder of any debentures issued by the Company, to the Auditors of the Company, and every director of the Company.
- If the copies of the documents aforesaid are sent less than twenty one days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by ninety five percent of the members entitled to vote at the meeting.
- The accidental omission to send the documents aforesaid, to or the non-receipt of the documents aforesaid by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
- (2) Any member or holder of debentures of the Company whether he is or is not entitled to have copies of the Company's Financial Statements sent to him, shall on demand, be entitled to be furnished without charge, and any person from whom the Company has accepted a sum of money by way of deposit shall on demand accompanied by the payment of a fee of fifty rupees, be entitled to be furnished with a copy of the last Financial Statements and every other documents required by law to be annexed or attached thereto.
146. The Directors shall arrange to maintain at the Registered office of the Company a Register of Directors, Key Managerial Personnel, containing the particulars and in the form prescribed by Section 170 of the Act. It shall be the duty of every Director and other persons regarding whom particulars have to be maintained in such Registers to disclose to the Company any matters relating to himself as may be necessary to comply with the provisions of the said sections.
147. A Director may receive remuneration by way of fee not exceeding such amount as may be permissible under the Rules for attending each meetings of the Board or Committee thereof; or of any other purpose whatsoever as may be decided by the Board.
148. Subject to the provisions of Section 197 of the said Act :
- (1) Any one or more of the Directors shall be paid such additional remuneration as may be fixed by the Directors for services rendered by him or them and any one or more of the Directors shall be paid further remuneration if any as the Company in General Meeting or the Board of Directors shall from time to time



determine. Such remuneration and/or additional remuneration may be paid by way of salary or commission on net profits or turnover or by participation in profits or by way of perquisites or in any other manner or by any or all of those modes.

- (2) If any director, being willing shall be called upon to perform extra services, or to make any special exertion for any of the purposes of the Company, the Company in General Meeting or the Board of Directors shall, subject as aforesaid, remunerate such Director or where there is more than one such Director all or such of them together either by a fixed sum or by a percentage of profits or in any other manner as may be determined by the Directors and such remuneration may be either in addition to or in substitution for the remuneration above provided.

149. The Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these articles not exceeding such amount as is permissible under the Rules, per meeting attended by him.

150. The Board of Directors may allow and pay to any Director fair compensation for his travelling and other expenses incurred in connection with the business of the Company including attendance at meeting of the Board or Committee thereof.

XVIII. APPOINTMENT AND ROTATION OF DIRECTORS

151a. The following shall be the First Directors of the Company:-

1. Shri. Mukesh Sharma
2. Shri. Sandeep Gaur

151b. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.

152. A person shall not be capable of being appointed Director of the Company, if :-

- (i) he has been found to be unsound mind by court of competent jurisdiction.
- (ii) he is an undischarged insolvent;
- (iii) he has applied to be adjudicated as an insolvent and his application is pending;
- (iv) he has been convicted by a Court in India of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than 6 months, and a period of five years has not elapsed from the date of expiry of the sentence;
- (v) 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 for the call; or
- (vi) an order disqualifying him for appointment as Director has been passed by a Court or Tribunal and the order is in force,
- (vii) he has been convicted of the offence dealing with related party transactions under Section 188; or.
- (viii) he has not complied with sub-section 3 of section 152.

153.(1)The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors. Independent Director shall be paid sitting fees for each meeting of the Board or a committee thereof, attended by him a sum not exceeding Rs. 2500/- (Rupees Two Thousand Five Hundred).

(2) Not less than two-thirds of the total number of Directors of the Company shall :

- (i) be persons whose period of office is liable to determination by retirement of Directors by rotation; and
- (ii) save as otherwise expressly provided in the said Act; be appointed by the Company in General Meeting.

Explanation:- for the purposes of this Article “total number of Directors” shall not include Independent Directors appointed on the Board of the Company.

(3) The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.

154. (1) Subject to the provisions of Section 152 of the Act at every Annual General Meeting, 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, then the number nearest to one-third, shall retire from office.

(2) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. A retiring Director shall be eligible for re-election.

(3) (i) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

(ii) If the place of the 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 National Holiday, till the next succeeding day which is not a holiday, at the same time and place.

(iii) 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 :-

- (i) at the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
- (ii) 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;
- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the said Act; or
- (v) Section 162 is applicable to the case.



155. The Company may by an ordinary resolution remove any Director (not being a Director appointed by the Tribunal in pursuance of Section 242 of the Act) in accordance with the provisions of Section 169 of the Act. A Director so removed shall not be reappointed a Director by the Board of Directors.
156. A person who is not a retiring Director shall subject to the provisions of the said Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him has, not less than fourteen days before the meeting, left at the Registered Office of the Company a notice in writing under his hand signifying his candidature for the office of Directors or as the case may be, the intention of such Member to propose him as a candidate for the office, along with deposit of one lakh rupees or such other amount as may be specified in the relevant Rules.
- The amount so deposited shall be refunded to such person or, as the case may be, to the Member, if the person proposed gets elected as a Director or gets more than 25% of total valid votes.
157. A person appointed as a Director shall not act as a Director unless he gives his consent to hold the office as director and such consent has been filed with the Registrar within thirty days of his appointment in such manner as prescribed in the relevant Rules.
158. (1) At a General Meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution, unless a resolution that is shall be so made has first been agreed to by the meeting without any vote being given against it.
- (2) A resolution moved in contravention of clause (1) shall be void, whether or not objection was taken at the time to its being so moved;
- (3) For the purpose of this Article a motion for approving a person's appointment or for nominating a person for appointing shall be treated as a motion for his appointment.
159. The Directors shall have power at any time and from time to time, to appoint any person other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time. Each such Additional Director shall hold office only up to the date of the next following Annual General Meeting, or the last date on which the annual general meeting should have been held, whichever is earlier, but shall be eligible for appointment by the Company at that meeting as a Director.
160. (1) If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board.
- (2) Any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it has not been vacated as aforesaid.
161. (1) The Board of Directors may appoint a person, not being a person holding any alternate directorship for any other Director in the Company, to act as an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from India.
- (2) No person shall be appointed as an alternate director for an Independent Director unless he is qualified to be appointed as an Independent Director.
- (3) An Alternate Director shall be entitled to notice of meetings of the Directors, and to attend and vote thereat accordingly.
- (4) An Alternate Director shall vacate office if and when the Original Director returns to India.
- (5) If the term of office of the Original Director is determined before he so returns to India as aforesaid any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.
- (6) An Alternate Director may be removed by the Board of Directors which may appoint another Alternate Director in his place.



162. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below three, the continuing Directors may act for the purpose of increasing the number of Directors to the said number, or of summoning a General Meeting of the Company, but for no other purpose.

XIX. RESIGNATION OF OFFICE BY DIRECTORS

163. Subject to the provisions of Section 168 of the Act a Director may at any time resign from his office upon giving notice in writing to the Company of his intention so to do, and thereupon his office shall be vacated.

XX. PROCEEDINGS OF BOARD OF DIRECTORS

164. A minimum number of four meetings of the Directors shall have been held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meeting and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business.
165. The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting.
166. Subject to provisions of Section 173 (3) of the Act, notice of not less than seven days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director of the Company shall be present at the meeting. In the event, any Independent Director is not present at the meeting called at shorter notice, the decision taken at such meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director.
167. The quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that one third being rounded off as one), or two directors whichever is higher and the directors participating by video conferencing or by other permitted means shall also counted for the purposes of this Article. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time.

Explanation:

The expressions “interested Director” shall have the meanings given in Section 184(2) of the said Act and the expression “total strength” shall have the meaning as given in Section 174 of the Act.

168. (1) If a meeting of the Board could not be held for want of a quorum then the meeting shall automatically stand adjourned to the same day in the next week, at the same time and place, or if that day is a National Holiday, till the next succeeding day which is not a National Holiday at the same time and place.
- (2) The provisions of Article 169 shall not be deemed to have been contravened merely by reason of the fact that a meeting of the Board which has been called in compliance with the terms of that Article could not be held for want of a quorum.
169. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and directions by law or under the Articles and regulations for the time being vested in or exercisable by the Directors generally.
170. The Chairman may, and manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.



171. Questions arising at any meeting of the Directors shall be decided by a majority of votes, and in case of an equality of votes, the Chairman thereof shall have a second or casting vote.
172. The Directors may elect a Chairman of their meetings, and determine the period for which he is to hold office, and unless otherwise determined the Chairman shall be elected annually. If no Chairman is elected, or if at any meeting the Chairman is not present within five minutes of the time appointed for holding the same, or is unwilling to preside, the Directors present may choose one of their members to be the Chairman of such meeting.
173. Subject to the provisions of Section 179 of the said Act, the Directors may delegate any of their powers, other than powers which by reason of the provisions of the said Act cannot be delegated to committees consisting of such member or members of their body as they may think fit, and they may from time to time revoke and discharge any such Committee either wholly or in part, and either as to persons or purposes. Every Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors, and all acts done by any such Committee in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect as if done by the Board.
174. The meetings and proceedings of any such Committee 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 the express terms of the appointment of any such Committee, or by any regulations made by the Directors.
175. A resolution not being a resolution required by the said Act or otherwise to be passed at a meeting of the Directors, may be passed without any meeting of the Directors or of a committee of Directors provided that the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee as the case may be, at their addresses registered with the Company, by hand delivery or by post or courier or through electronic means as permissible under the relevant Rules and has been approved by a majority of the Directors as are entitled to vote on the resolution.
176. All acts done by a person as a Director shall be valid, notwithstanding that it may be afterwards discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in the said Act or in these Articles. Provided that this Article shall not give validity to acts done by a Director after his appointment has been shown to the company to be invalid or to have terminated.
177. The Directors shall cause minutes to be duly entered in a book or books provided for the purpose in accordance with these presents and section 118 of the Act.
178. (1) The Directors shall cause to be kept at the Registered Office (a) a Register mentioned in Article 152 and (b) a Register of Contracts or arrangements of which they are interested, containing the particulars required by Section 189 of the Act.
(2) The provisions contained in Article 103 (1)(b) and 103(2) relating to inspection and taking copies shall be mutatis mutandis be applicable to the registers specified in this Article.

XXI. APPOINTMENT OF KEY MANAGERIAL PERSONNEL

179. (1) Subject to the provisions of the Act :
 - (i) A Key Managerial Personnel may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and the Key Managerial Personnel so appointed may be removed by means of a resolution in the Board Meeting.
 - (ii) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.



XXII. BORROWING POWERS OF DIRECTORS

180. (1) Subject to clause (2) hereof the Directors may, from time to time at their discretion raise or borrow, or secure the repayment of any loan or advance taken by the Company. Any such moneys may be raised and the payment or repayment of such moneys maybe secured in such manner and upon such terms and conditions in all respects as the Directors may think fit and, in particular by promissory notes, or by opening current accounts or by receiving deposits and advances at interest, with or without security, or 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, or by mortgaging, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company, or by such other means as to them may seem expedient.
- (2) The Board of Directors shall not, except with the consent of the Company in General Meeting, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose. No debt by the Company in excess of 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 that Article has been exceeded.
- (3) Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company, shall be under the Control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
- (4) Any such debentures, 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.
- (5) If any other offer is made to the public to subscribe for or purchase debentures the provisions of the said Act relating to a prospectus shall be complied with.
- (6) (i) Any such debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise, and on condition (with the consent of the Company in General Meeting) and they may have a right to allotment of or be convertible into shares of any denominations, and with any special privileges and conditions as to redemption (or being irredeemable), surrender, drawings, re-issue, attending at General Meeting of the Company, appointment of Directors, and otherwise, provided that no debentures, debenture-stock, bonds or other securities may be issued carrying voting rights.
- (ii) The Company shall have power to re-issue redeemed debentures.
- (iii) A contract with the Company to take up and pay for any debentures of the Company may be enforced by a Deed for specific performance.
- (iv) The Company, shall within two months after the allotment of any of its shares, and six months after the allotment of any debentures or debenture-stock, and within one month after the application for the registration of the transfer of any shares, debentures or debenture-stock have completed and have ready for delivery the certificates of all shares, the debentures and the certification of all debenture-stock allotted or transferred, unless the conditions of issue of the shares, debentures of debenture-stock otherwise provide
- The expression "transfer" of the purpose of the sub clause means a transfer duly stamped, dated and otherwise valid, and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.
- (7) (i) A copy of any trust deed for securing any issue of debentures shall be forwarded to the holder of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment of rupees fifty (Rs. 50/-);
- (ii) The Court may also, by order, direct that the copy required shall forthwith be sent to the person requiring it.



(iii) The Trust Deed referred to in sub-clause (i) shall be open inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of the same fees, as if it were the register of members of the Company.

181. If any uncalled capital of the Company is included in or charged by any mortgagor other security, the Directors may, by instrument under the Company's seal, authorise the person in whose favour such mortgage or other security is executed, or any other person in trust for him to make calls on the members in respect of such uncalled capital, and the provisions hereinbefore contained in regard to call shall mutatis mutandis apply to calls under such authority, and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently, and either to the exclusion of the Directors power or otherwise, and shall be assignable if expressed so to be.
182. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.
183. The Company may exercise the power to keep foreign register of members or debenture holders or other security holders or beneficial owners residing outside India as provided in Section 88 of the Act.

XXIII. POWER OF DIRECTORS

184. (1) Subject to the provisions of Section 135, 179, 180, 181, 182, 183, 184, 185, 186, 188 and 203 of the Act, the Board of Directors of the Company shall be entitled to exercise all such powers, give all such consents, make all such arrangements, be nearly do all such acts and things as are or shall be by the said Act, and the memorandum of association and these precedents directed or authorized to be exercised, given, make or done by the Company and are not thereby expressly directed or required to be exercise, given, made or done by the Company in General Meeting, but subject to such regulations being (if any) not inconsistent with the said provisions as from time to time may be prescribed by the Company in General Meeting provided that no regulation so made by the company in General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulations had not been made.
- (2) Save as provided by the said Act or by these presents and subject to the restrictions imposed by Section 179 of the said Act, the Directors may delegate all or any powers by the said Act or by the Memorandum of Association or by these presents reposed in them.
185. Subject to the provisions of Articles 189 but without prejudice to the General Powers thereby conferred and so as not in any way to conferred by these presents, it is hereby expressly declared that the Directors shall have the following powers and authorities, that is to say power and authority :
- (1) (i) to enter into agreements with foreign components and other persons for obtaining by granting licence or other terms, formulae and other rights and benefits and to obtain financial and or technical collaboration, technical information, knowhow and expert advice in connection with the activities and business permitted under the Memorandum of Association of the Company.
- (ii) to take over and acquire the industrial licence, import licence, permit and other rights on payment of actual and out of pocket expenses incurred thereof, and compensation for technical services rendered in connection therewith :
- (iii) to pay and charge to the Capital / Revenue Account of the Company the legal and other costs, charges and expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company including the stamps and fees paid in respect thereof :
- (iv) to pay and charge to the Capital / Revenue Account of the Company any commission or interest lawfully payable under the provisions of the said Act :



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- (v) To carry out activities that are specified in Schedule VII of the Act, and for this purpose expend / incur the monies of the Company, and all monies so expended or incurred for this purpose shall also be construed to be for the purpose of the Company's business.
- (2) to purchase in India or elsewhere any machinery plant, stores and other articles and things for all or any of the objects or purpose of the Company;
 - (3) to purchase, take on lease or otherwise acquire in India any lands (whether freehold, leasehold or otherwise) and with or without houses, buildings, structures or machinery (fixed or loose) and any moveable property, rights or privileges (including intellectual property rights) from any person including a Director in furtherance of or for carrying out its objects, at or for such price or consideration and generally on such terms and conditions and with such titled thereto as they may think fit or may believe or be advised to be reasonable satisfactory.
 - (4) to purchase, or otherwise acquire from any person and to resell, exchange, and repurchase any patent for or licence for the use of any invention.
 - (5) to purchase or otherwise acquire for the Company any other property, formule, concessions, rights and privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit.
 - (6) in any such purchase or other acquisition to accept such titled as the Directors may believe or may be advised to be reasonably satisfactory. At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partly in cash or in shares, or in both, or in 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 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.
 - (7) to sell for cash or on credit or to contract for the sale and future delivery of or to and for sale in any part of India or elsewhere any products or Articles produced, manufactured or prepared by the Company as the Directors may deem advisable.
 - (8) to erect, construct, and build and factories, warehouses, godowns, engine houses, tanks, wells, or other constructions, adopted to the objects of the Company or may be considered expedient or desirable for the objects or purposes of the Company or any of them;
 - (9) to sell from time to time any articles, materials, machinery, plant, stores and other articles and things belonging to the Company as the Directors may think proper and to manufacturer, prepare and sell waste and by-products;
 - (10) from time to time to extend the business and undertaking of the company by adding to, altering, or enlarging all or any of the building, factories, workshops, premises, plant and machinery, for the time being the property or in the possession of the Company, or by erecting new or additional buildings, and to expend such sums of money for the purposes aforesaid or any of them, as may be thought necessary or expedient;
 - (11) to remove all or any of the machinery, plant and other movable property of the Company for the time being in or upon lands, buildings, or premises of the Company to other lands, buildings, or premises;
 - (12) to negotiate for, and subject to the approval of the Company in General Meeting, contract for the sale and transfer of all or any part of the property and undertaking of the Company as a going concern, subject or not subject to all or any of the obligations and liabilities of the Company;
 - (13) to undertake on behalf of the Company the payment of all rents the performance of all covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company, and to purchase the reversion or reversions, and otherwise to acquire the freehold or fee-simple of all or any of the lands of the Company for the time being held under lease, or for an estate less than a free hold estate;



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- (14) to improve, manage, develop, exchange, lease, sell, re-sell and re-purchase, dispose of, deal with or otherwise turn to account and property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested;
 - (15) to secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such manner as they may think fit.
 - (16) to accept from any member, on such terms and conditions as shall be agreed upon and as far as may be permissible by law, a surrender of his shares or any part thereof;
 - (17) to determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsement, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes;
 - (18) to make advances and loans without any security, or on such security as they may think proper and to take security for already existing debts, and otherwise to invest and deal with any of the moneys of the Company not immediately required for the purpose thereof in Government or Municipal securities, fixed deposits in banks and in such other manner as they may think fit and from time to time vary or realise such investments, and for the purpose aforesaid to authorise such persons within limits to be fixed from time to time by the Board.
 - (19) to make and give receipts, releases and other discharges for moneys payable to, or for goods or property belonging to the Company, and for the claims and demands of the Company;
 - (20) subject to the provisions of Section 179, 180 and 186 of the said Act, to invest and deal with any moneys of the Company not immediately required of the purposes thereof, upon such security (not being shares of the 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 said Act all investments shall be made and held in the Company's own name;
 - (21) to give to any officer or other person employed by the Company including any Directors so employed, a commission on the profits of any particular business or transaction, or a share in general or particular profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company and to pay commissions and make allowances to any person introducing business to the Company or otherwise assisting its interests;
 - (22) subject to the provisions of Section 187 of the said Act to appoint any person or persons (whether incorporated or not) to accept and hold in trusts for the Company any property belonging to the Company, or in which the Company is interested or for any other purposes and to execute and do all such acts, deeds and things as may be requisite in relation to any such trust, and to provide for the remuneration of such trustee or trustees;
 - (23) to insure and keep insured against loss or damage or fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or conjointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
 - (24) to attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit;
 - (25) 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 for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon;



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- (26) to institute, conduct, defend, compound, abandon or refer to arbitration any action, suit, appeals, proceedings, for enforcing decrees and orders and other legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, to compound or compromise and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company and to refer the same or arbitration, to observe and perform any awards made there on; to act on behalf of the Company in all matters relating to bankrupts and insolvents;
- (27) The person duly authorised by the Directors shall be entitled to make, give, sign and execute all and every warrant to use or defend on behalf of the Company, and all and every legal proceedings and compositions or compromise, agreements, and submission to arbitration and agreement to refer to arbitration as may be requisite, and for the purposes aforesaid, the Secretary or such other person may be empowered to use their or his own name on behalf of the Company, and they or he shall be saved harmless and indemnified out of the funds and property of the Company, from and against all costs and damages which they or he may incur or be liable to by reason of their or his name so used as aforesaid.
- (28) to provide for the welfare of the employees or ex-employees of the Company, and the wives, widows and families or the dependants or connects of such persons and to give, award or allow any pension, gratuity, compensation, grants of money, allowances, bonus, stock options (including other stock related compensation) or other payment to or for the benefit of such persons as may appear to the Directors just and proper, whether they have or have not a legal claim upon the Company, and before recommending any dividends to set aside portions of the profits of the Company to form a fund to provide for such payments and in particular to provide for the welfare of such persons, by building or contributing to the building of houses, dwelling or chawls, 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 instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Directors shall think fit; and 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;
- (29) before recommending any dividend, to set aside, out of the profits of the Company such sums for depreciation as provided in Section 123 of the said Act and such sums as they think proper for creating reserves, general or specific or special funds to meet contingencies or to repay debentures or debenture-stock or to pay off preference of other shareholders subject to the sanction of the Court when the same is required by law on for payment of dividends or equalising dividend or for special dividends or bonus or for repairing, improving, extending and maintaining any part of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Directors may in their absolute discretion think conducive to the interest of the Company and from time to time to carry forward such sums as may be deemed expedient and to invest and deal with the several sums to set aside or any part thereof as provided in Clause (18) of this Article as they think fit, and from time to time to deal with and vary such investment and dispose of and apply and expend the same or any part thereof for the benefit of the Company in such manner and for such purpose as the Directors in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof for the benefit of the Company in such manner and for such purpose as the Directors in their absolute discretion think conducive to the interest of the Company notwithstanding that the matter to which the Directors apply or upon which they expend the same or any part thereof may be matters to and upon which the capital money of the Company might rightly be applied or expended and the Directors may divide the Reserve or any Fund into such special funds and transfer any sum from one fund to another as they may think fit and may employ the assets constituting all or any of the above funds including the Depreciation Fund or any part thereof in the business of the Company or in the purchase or repayment of debentures or debenture-stock or preference shares or in payment of special dividend or bonus and that without being bound to keep the same separate from the other assets, and without being bound to pay interest for the same with power however to the Directors at their discretion to pay or allow to the credit of such funds or any of them the interest at such rate as the Directors may think proper not exceeding 9 per cent per annum.
- (30) from time to time and at any time to entrust to and confer upon the officers for the time being of the Company, and to authorise, or empower them to exercise and perform and by Power-of-Attorney under seal to appoint any person to be the Attorney of the Company and invest them with such of their powers,

authorities, duties and discretion exercisable by or conferred or imposed upon the Directors, but not the power to make Calls or other power which by law are expressly stated to be incapable of delegation as the Directors may think fit, and for such time and to be exercised for such objects and purposes and subject to such restrictions and conditions, as the Directors may think proper or expedient, and either collaterally with or to the exclusion of and in substitution for all or any of the powers, authorities, duties and discretions of the Directors in that behalf, with authority to the Secretary or such officers or attorney to sub-delegate all or any of the powers, authorities, duties, and discretions for the time being vested in or conferred upon them and from time to time to revoke all such appointments of attorney and withdraw, alter or vary all or any of such powers, authorities, duties and discretions;

- (31) to appoint, and at their pleasure to remove, discharge, or suspend and to re-employ or replace, for the management, of the business, secretaries, managers, experts, engineers, accountants, agents, subagents, bankers, brokers, muddams, solicitors, officers, clerks, servants and other employees for permanent, temporary or special services as the Directors may from time to time think fit, and to determine their powers and duties and fix their emoluments, salaries, wages, and to require security in such instances and to such amount as they think fit, and to ensure and arrange for guarantee for fidelity of any employees of the Company and to pay such premiums on any policy of guarantee as may from time to time become payable;
- (32) 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 persons to be members of any Local Boards and to fix their remuneration. And from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, other than their power to make a Call and to authorise the members 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 any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation. Any such delegate may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him.
- (33) at any time and from time to time by power-of-attorney 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 Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors think fit) may 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 members, Directors, nominees, or Managers of any company or firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the Directors, and any such Power-of-attorney may contain such powers for the protection or convenience of persons dealing with such Attorney as the Directors may think fit.
- (34) from time to time to provide for the management transaction of the affairs of the Company outside the Registered Office or in any specified locality in India or outside India, in such manner as they think fit and in particular to appoint any person to be the Attorneys or agents of the Company with such powers, authorities and discretions (including power to sub- delegate) but not exceeding those vested in or exercisable by the Directors, and also not the power to make calls or issue debentures and for such period, and upon such terms and subject to such conditions as the Directors may think fit, and at any time to remove any person so appointed or withdraw or vary any such powers as may be thought fit, and for that purpose the Company may exercise the powers conferred by Section 88 of the Act relating to keep in any State or country outside India a foreign Register respectively and such powers shall accordingly be vested in the Directors.
- (35) for or in relation to any of the matters aforesaid or otherwise for the purpose and objects of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute, perform and do and sanction, and authorise all such acts, deeds, matters and things, including matters that are incidental and/or ancillary thereto, in the same and on behalf of the Company as they may consider expedient;



- (36) to open accounts with any bank or bankers or with any Company, firm or individual for the purpose of the Company's business and to pay money into and draw money from any such account from time to time as the Directors may think fit.
- (37) generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretions vested in the Directors to any Key Managerial Personnel, firm, company or fluctuating body of persons as aforesaid.
- (38) to authorise the issue of securities (including depository receipts), whether convertible to shares or not, as per applicable laws, either as a primary issue or a secondary offering.

XXIV. MANAGING DIRECTORS

186. Subject to the provisions of Section 196, 197, and 203 of the Act, the Directors may from time to time appoint one or more of their body to be Managing Director, Joint Managing Director or Managing Directors, Whole-time Director, Manager or Chief Executive Officer of the Company either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office but in any case not exceeding five years at a time and may from time to time remove or dismiss him or them from office and appoint another or others in his or their place or places.
187. A managing Director or Joint Managing Director subject to the provisions contained in Article 184 shall not while he continues to hold that office be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire but he shall, subject to the terms of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the Directors of the Company, and if he ceases to hold the office of Directors from any cause shall ipso facto and immediately cease to be Managing Director.
188. The remuneration of a Managing Director and Joint Managing Director shall from time to time be fixed by the Directors and may be by way of salary or commission or participating in profits or by way or all of those modes or in other forms shall be subject to the limitations prescribed in Section 197 of the Act.
189. The Directors may from time entrust to and upon a Managing Director or Joint Managing Director for the time being such of the powers exercisable under these Articles by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers either collaterally with or to the exclusion of and 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, unless and until otherwise determined a Managing Director may exercise all the powers exercisable by the Directors, save such powers as by the Act or by these Articles shall be exercisable by the Directors themselves.

XXV. SECRETARY

190. (1) The Directors may from time to time appoint and at their discretion remove, a person (hereinafter called "the Secretary") to keep the Registers required to be kept by the Company, to perform any other function which by the said Act or by these Articles are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to the Secretary by the Directors.
- (2) The Directors may any time appoint a temporary substitute for the Secretary who shall for the purpose of these Articles be deemed to be the Secretary.

XXVI. INDEMNITY TO AND PROTECTION OF DIRECTORS AND OFFICERS

191. (1) The Board shall be entitled to meet out of the funds of the Company to defend, every officer of the Company as defined by Section 2(59) of the said Act, or any person (whether an officer of the Company or not) employed by the Company, against all claims made on them (including losses, expenses, fines, penalties or such levies), in or about the discharge of their respective duties.
- (2) Every Officer of the Company, as defined by Section 2(59) of the said Act, or any person (whether an Officer of the Company or not) employed by the Company, shall be entitled to direct the company to meet all claims, losses, expenses, fines, penalties or such other levies, expended by them, respectively in or



about the discharge of their respective duties, out of the funds of the Company against all such liabilities, including attorney fees, incurred by them in defending any proceedings under the Act, or other laws applicable to the Company, and/or its subsidiaries in any jurisdiction.

- (3) The Company may take and maintain any insurance as the Board may think fit on behalf of its directors (present and former), other employees and the Key Managerial Personnel, for insurers to directly meet all claims, losses, expenses, fines, penalties or such other levies, or for indemnifying any or all of them against any such liability for any acts in relation to the Company for which they may be liable.
192. No Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or servant or for joining in any receipts or other act for the sake of conformity merely or for any loss or expenses happening to the Company through the insufficiency or deficiency in point of titles or value of any property acquired by the order of the Directors for or on behalf of the Company or mortgaged to the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation to or with whom any moneys, securities or effects of the Company shall be entrusted or deposited or for 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 or performance of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.
 193. An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

XXVII. SEAL

194. (1) The 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 thereto and the Directors shall provide for the safe custody of the seal for the time being. The seal of the Company shall never be used except by the authority of a resolution of the Board of Directors and in presence of one of Directors or such other persons as the Board may authorise who will sign in token thereof and countersigned by such officers or persons at the Directors may from time to time resolve.
- (2) Any instrument bearing the Common Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same.

XXVIII. NOTICES AND SERVICE OF DOCUMENTS

195. It shall be imperative on every member or notify to the Company for registration his place of address in India and if he has no registered address within India to supply to the Company an address within India for giving of notices to him. A member may notify his email address if any, to which the notices and other documents of the company shall be served on him by electronic mode. The Company's obligation shall be satisfied when it transmits the email and the company shall not be responsible for failure in transmission beyond its control.
196. Subject to Section 20 of the said Act, a document may be served by the Company on any member thereof by sending it to him by post or by registered post or by speed post or by courier or by delivering at his address (within India) supplied by him to the company for the service of notices to him.

The term courier means person or agency who or which delivers the document and provides proof of its delivery.

197. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by any and every notice and other document in respect of such share which previous to his name and address being entered upon the register shall have been duly given to the person from whom he derives his title to such share.



198. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these presents shall be sufficiently given, if given by advertisement, once in English and once in a vernacular daily newspaper circulating in the city, town or village in which the registered office of the Company is situate.
199. Any notice or document served in the manner hereinbefore provided shall notwithstanding such member be then dead and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any share, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holder thereof and such service, for all purposes of these presents be deemed a sufficient service of such notice or documents on his heirs, executors, administrators and all person (if any) jointly interested with him in any such shares.
200. Any notice given by the Company shall be signed (digitally or electronically) by a Director or by the Secretary or some other officer appointed by the Directors and the signature thereto may be written, facsimile, printed, lithographed, photostat.
201. A document may be served on the Company or on an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post or by Registered Post or by leaving it at its Registered Office, or by means of such electronic mode or other mode as may be specified in the relevant Rules.

XXIX. SECRECY CLAUSE

202. No member shall be entitled to visit any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's working, trading or any matter which is or may be in the nature of a secret, mystery of trade or secret process, which may relate to the conduct of the business of that Company and which in the opinion of the Directors, it will be inexpedient in the interest of the members of the Company to communicate to the public.

XXX. WINDING-UP

203. If upon the winding-up of the Company, the surplus assets shall be more than sufficient to repay the whole of the paid-up capital, the excess shall be distributed amongst the members in proportion to the capital paid or which ought to have been paid-up on the shares at the commencement of the winding-up held by them respectively, other than the amounts paid in advance of calls. If the surplus assets shall be insufficient to repay the whole of the paid-up capital, such surplus assets shall be distributed so that as nearly as may be the losses shall be borne by the members in 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, other than the amounts paid by them in advance of calls. But this Article is without prejudice to the rights of the holders of any shares issued upon special terms and conditions and shall not be construed so as to or be deemed to confer upon them any rights greater than those conferred by the terms and conditions of issue.
204. If the Company shall be wound-up whether voluntarily or otherwise, the following provisions shall take effect:
 - (1) the Liquidator may, with the sanction of a Special Resolution, divide among 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 trust for the benefit of the contributories or any of them, as the Liquidator with the like sanction shall think fit.
 - (2) If thought fit any such division may 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 on any contributory who would be prejudiced thereby shall have the right to dissent and shall have ancillary rights as if such determination were a Special Resolution passed pursuant to Section 319 of the said Act.
 - (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 seven days after the passing of the Special Resolution by notice in writing, direct the Liquidator to sell his proportion and pay him the proceeds and the Liquidator shall, if practicable, act accordingly.



205. Any such Liquidator may, irrespective of the powers conferred upon him by the said Act and as an additional power conferring a general or special authority, sell the undertaking of the Company or the whole or any part of its assets for shares fully or partly paid-up or the obligations of or other interest in any other company and may by the contract of sale agree for the allotment to the members directly of the proceeds of sale in proportion to their respective interests in the Company and in case the shares of this Company shall be of different classes, may arrange for the allotment in respect of preference shares of the Company, to obligations of the purchasing company or of shares of the purchasing company with preference or priority over or with a larger amount paid-up than the shares allotted in respect of ordinary shares of this Company and may further by the contract, limit a time at the expiration of which shares, obligations or other interests not accepted or required to be sold, shall be deemed to have been refused and be at the disposal of the Liquidator.
206. Sale under Sections 319 of the Companies Act, 2013:
Upon any sale under the last preceding Article or under the powers given by Section 319 of the said Act, no member shall be entitled to require the Liquidator either to abstain from carrying into effect the sale or the resolution authorising the same or to purchase such member's interest in this Company, but in case any member shall be unwilling to accept the share, obligations or interests to which under such sale he would be entitled, he may, within seven days of the passing of the resolution authorising the sale, by notice in writing to the Liquidator, require him to sell such shares, obligations or interests and thereupon the same shall be sold in such manner as the Liquidator may think fit and the proceeds shall be paid over to the member requiring such sale.

XXXI. GENERAL POWERS

207. Where any provisions of the said Act, provides that the Company shall do such act, deed, or thing, or shall have a right, privilege or authority to carry out a particular transaction, only if it is so authorised in its Articles, in respect of all such acts, deeds, things, rights, privileges and authority, this Article hereby authorises the Company to carry out the same, without the need for any specific or explicit Article in that behalf.

XXXII. INDEMNITY

208. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.



SECTION XI – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material have been attached to the copy of the 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 November 08, 2016 between our Company and the Lead Manager.
2. Memorandum of Understanding dated April 01, 2016 between our Company and the Registrar to the Issue.
3. Escrow Agreement February 14, 2017 between our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated November 08, 2016 between our Company, the Lead Manager and the Market Maker.
5. Underwriting Agreement dated November 08, 2016 between our Company, the Lead Manager and the Market Maker.
6. Tripartite agreement between the NSDL, our Company and the Registrar dated May 26, 2016.
7. Tripartite agreement between the CDSL, our Company and the Registrar dated April 20, 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 IFL Enterprises Limited
3. Resolution of the Board of Directors meeting dated September 05, 2016 authorizing the Issue.
4. Shareholders' resolution passed at the Annual General Meeting dated September 30, 2016 authorizing the Issue.
5. Auditor's report for Restated Financials dated November 15, 2016 included in this Prospectus.
6. The Statement of Tax Benefits dated November 15, 2016 from our Statutory Auditor.
7. Consent of our Directors, CFO, CS & CO, Statutory Auditor, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Banker to the Company, Banker to the Issue, Market Maker and Underwriters as referred to in their specific capacities.
8. Due Diligence Certificate(s) dated February 22, 2017 of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.
9. Approval from BSE vide letter dated February 09, 2017 to use the name of BSE in this Issue Document for listing of Equity Shares on the SME Platform of the BSE.

Any of the contracts or documents mentioned in this 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 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 Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

_____ **Mr. Gopal Bansal**
Chairman and Managing Director

_____ **Mr. Mukesh Sharma**
Executive Director

_____ **Mr. Ashok Kumar Bansal**
Non-Executive Non Independent Director

_____ **Mr. Pramod Sharma**
Non-Executive Independent Director

_____ **Ms. Himanshi Kashyap**
Non-Executive Independent Director

SIGNED BY THE CHIEF FINANCIAL OFFICER

_____ **Ms. Bhanu Priya**
Chief Financial Officer

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER

_____ **Mr. Sandeep Kumar**
Company Secretary and Compliance Officer

Date:
Place: Delhi