



GHUSHINE FINTRADE OCEAN LIMITED

Our Company was incorporated as 'Pallavi Finstock Private Limited' a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated May 10, 1995 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to 'Pallavi Finstock Limited' pursuant to a Certificate of Incorporation dated July 14, 2015 issued by the Registrar of Companies, Gujarat, Ahmedabad. Further the name of our company was changed to Ghushine Fintrade Ocean Limited vide Certificate of Incorporation pursuant to change of name dated August 4, 2015 issued by the Registrar of Companies, Gujarat, Ahmedabad. Our corporate identification number is U65910GJ1995PLC025823. For further details of our Company, please refer to the chapters titled 'General Information' and 'History and Certain Corporate Matters' beginning on page numbers 33 and 86, respectively, of the Prospectus.

Registered Office: 203, Trividh Chambers, Rushabh Petrol Pump Lane, Ring Road, Surat - 395002, Gujarat

Tel: +91 261 2332122, **Fax:** +91 261 2332122

Website: www.ghushine.com, **E-mail:** ghushine95e@gmail.com

Company Secretary and Compliance Officer: Ms. Akriti Sharma

PROMOTERS: MR. ALOK B. JAIN AND MRS. KAPILA A. JAIN

PUBLIC ISSUE OF 26,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF GHUSHINE FINTRADE OCEAN LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT PAR, AGGREGATING ₹ 260.00 LACS ("THE ISSUE"), OF WHICH 1,40,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH FOR CASH AT PAR, AGGREGATING ₹ 14.00 LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKERS TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 24,60,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH FOR CASH AT PAR, AGGREGATING ₹ 246.00 LACS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 52.59% AND 49.75% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE ISSUE IS BEING IN TERMS OF CHAPTER X-B OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.

For further details please refer the section titled 'Issue Related Information' beginning on page 150 of the Prospectus

All potential investors may participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 157 of the Prospectus. Qualified Institutional Buyers and Non-Institutional Investors shall compulsorily participate in the Issue through the ASBA process.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE OF ₹ 10 IS 1 TIME OF THE FACE VALUE

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is ₹ 10 and the Issue price of ₹ 10 per Equity Share is 1 time of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager, as stated under the chapter titled 'Basis for the Issue Price' beginning on page 57 of the Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares 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 the Prospectus. Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 12 of the Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that the Prospectus contains all information with regard to the Issuer and this Issue, which is material in the context of this Issue, that the information contained in the 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 the Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading, in any material respect.

LISTING

The Equity Shares offered through the Prospectus are proposed to be listed on the BSE SME Platform. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being offered in this issue. However, our Company has received an approval letter dated March 22, 2016 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE Limited ('BSE'). For the purpose of this Issue, the designated Stock Exchange will be the BSE.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE

	
<p>First Overseas Capital Limited 1st Floor, B Wing, Todi Estate Sun Mill Compound Lower Parel, Mumbai - 400013 Tel No: +91 22 4050 9999; Fax No: +91 22 4050 9900 Email: rushabh@focl.in Investor Grievance Email: investorcomplaints@focl.in Website: www.focl.in SEBI Registration No: INM000003671 Contact Person: Mr. Rushabh Shroff</p>	<p>PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg Lower Parel, Mumbai-400 011 Tel: +91 22 2301 6761/8261 Fax: +91 22 2301 2517 Website: www.purvashare.com Email: busicomp@vsnl.com SEBI Regn No. INR000001112 Contact Person: Mr. Rajesh Shah</p>

ISSUE PROGRAMME

ISSUE OPENS ON:

MONDAY, APRIL 25, 2016

ISSUE CLOSES ON:

WEDNESDAY, APRIL 27, 2016

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

In the Prospectus, unless the context otherwise requires, the terms defined and abbreviations stated hereunder shall have the meanings as assigned therewith as stated in this Section.

General Terms

Term	Description
“Ghushine Fintrade Ocean Limited”, “GFOL”, “We” or “us” or “our Company” or “the Issuer’	Unless the context otherwise requires, refers to Ghushine Fintrade Ocean Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 203, Trividh Chambers, Rushabh Petrol Pump Lane, Ring Road, Surat - 395002, Gujarat.

Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, requires, refers to the Articles of Association of Ghushine Fintrade Ocean Limited, as amended from time to time.
Auditors	The Statutory Auditors of our Company, being M/s Jain Anil & Associates, Chartered Accountants
Board of Directors / Board	The Board of Directors of Ghushine Fintrade Ocean Limited, including all duly constituted Committees thereof.
Companies Act	Companies Act, 1956, as superceded and substituted by notified provisions of the Companies Act, 2013
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of Ghushine Fintrade Ocean Limited unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Ghushine Fintrade Ocean Limited
Non Residents	A person resident outside India, as defined under FEMA
NRIs / Non Resident Indians	A person outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign 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 validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Promoter/ Core Promoter	MR. ALOK B. JAIN AND MRS. KAPILA A. JAIN
Registered Office	The Registered Office of our company is located at 203, Trividh Chambers, Rushabh Petrol Pump Lane, Ring Road, Surat - 395002, Gujarat

RoC	Registrar of Companies, Gujarat situated at Ahmedabad
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 (ICDR) Regulations/ Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009 as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and 2011, as amended from time to time depending on the context of the matter being referred to
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited

Issue Related Terms

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of the Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	The successful applicant to whom the Equity Shares are being / have been issued
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.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Prospectus.
Application Supported by Block Amount/ (ASBA)	An application, whether physical or electronic, used by all Applicants to make an Application authorizing a SCSB to block the application amount in the ASBA Account maintained with such SCSB. Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors shall apply through ASBA process only.
ASBA Account	Account maintained by an ASBA Applicant with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of the Applicant.
Bankers to our Company	TJSB Sahakari Bank Limited
Bankers to the Issue	HDFC Bank Limited
BSE	BSE Limited
Broker Centres	Broker Centres notified by the Stock Exchanges, where the Applicants can submit the 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 website of the BSE on the following link:-

	http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3
Collecting Depository Participant or CDP	A Depository Participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange, a list of which is provided on http://www.sebi.gov.in
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 ASBA Application Forms from the ASBA Applicants and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant 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 i.e. www.bseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant 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 i.e. www.bseindia.com
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Escrow Account	Account opened/to be opened with the Escrow Collection Bank(s) and in whose favour the Applicant (excluding the ASBA Applicant) will issue cheques or drafts in respect of the Application Amount when submitting an Application
Escrow Agreement	Agreement entered / to be entered into amongst our Company, Lead Manager, the Registrar, the Escrow Collection Bank(s) for collection of the Application Amounts and for remitting refunds (if any) of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and condition thereof
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Bankers to the Issue at which bank(s) the Escrow Account of our Company will be opened
General Information Document	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.
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 26,00,000 Equity Shares of ₹ 10 each at par aggregating to ₹ 260.00 Lacs by Ghushine Fintrade Ocean Limited

Issue Price	The price at which the Equity Shares are being issued by our Company under the Prospectus being ₹ 10
LM / Lead Manager	Lead Manager to the Issue, in this case being First Overseas Capital Limited
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 24,60,000 Equity Shares of ₹ 10 each at par ₹ 10 (including share premium of ₹ 10) per Equity Share par aggregating ₹ 246.00 Lacs by Ghushine Fintrade Ocean Limited
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information
Qualified Institutional Buyers / QIBs	As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, Alternative Investment Fund, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 2,500 Lacs, pension fund with minimum corpus of ₹ 2,500 Lacs, National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and Insurance funds set up and managed by the Department of Posts, India
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through the ASBA process.
Registrar/ Registrar to the Issue	Registrar to the Issue being Purva Sharegistry (India) 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
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/pmd/scsb.pdf
SME Platform of BSE	The SME Platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
Underwriters	First Overseas Capital Limited
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated December 1, 2015
Uniform Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our company and the SME Platform of BSE.
Working Days	Working days shall be all trading days of stock exchanges excluding Sundays and bank holidays (in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016).

Technical / Industry Related Terms

Term	Description
CSO	Central Statistical Organisation
GDP	Gross Domestic Product
DEPB	Duty entitlement pass book scheme
EPCG	Export Promotion Capital Goods Scheme
FDI	Foreign Direct Investment
F&O	Futures and Options
FMC	Forward Market Commission
GOI	Government of India
FOB	Free on Board
RONW	Return on Net Worth
SSI	Small Scale Industry
VCF	Venture Capital Funds
SENSEX	Bombay Stock Exchange Sensitive Index
NIFTY	National Stock Exchange Sensitive Index

Conventional Terms / General Terms / Abbreviations

Abbreviation	Full Form
A/c	Account
ACS	Associate Company Secretary
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
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
F&NG	Father and Natural Guardian
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
MAPIN	Market Participants and Investors' Integrated Database
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NPV	Net Present Value
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Bn	Billion
₹ or Rs.	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.
Sec.	Section
STT	Securities Transaction Tax
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.

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, SEBI Act, SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing:

1. In the section titled '*Main Provisions of the Articles of Association*' beginning on page 214 of the Prospectus , defined terms shall have the meaning given to such terms in that section;
2. In the chapters titled '*Summary of Our Business*' and '*Our Business*' beginning on page 26 and 81 respectively, of the Prospectus, defined terms shall have the meaning given to such terms in that section;
3. In the section titled '*Risk Factors*' beginning on page 12 of the Prospectus, defined terms shall have the meaning given to such terms in that section;

4. In the chapter titled '*Statement of Tax Benefits*' beginning on page 59 of the Prospectus, defined terms shall have the meaning given to such terms in that section;
5. In the chapter titled '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' beginning on page 129 of the Prospectus, defined terms shall have the meaning given to such terms in that section.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in the Prospectus is derived from our audited financial statements for the period December 31, 2015 and financial years ended March 31, 2015, 2014, 2013, 2012 and 2011 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP which are included in the Prospectus, and set out in the section titled '*Financial Information*' beginning on page 111 of the Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In the Prospectus, 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, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on pages 12, 81 and 129, respectively, of the Prospectus and elsewhere in the Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP.

Currency and units of presentation

In the Prospectus, unless the context otherwise requires, all references to;

- 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India.
- 'US Dollars' or 'US\$' or 'USD' or '\$' are to United States Dollars, the official currency of the United States of America.

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten lacs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

Industry and Market Data

Unless stated otherwise, industry data used throughout the Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Prospectus is reliable, it has not been independently verified.

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

FORWARD LOOKING STATEMENTS

All statements contained in the Prospectus that are not statements of historical facts constitute 'forward-looking statements'. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward looking statements can generally be identified by words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- general economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- our ability to respond to technological changes;
- our ability to attract and retain qualified personnel;
- the effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- general social and political conditions in India which have an impact on our business activities or investments;
- potential mergers, acquisitions restructurings and increased competition;
- occurrences of natural disasters or calamities affecting the areas in which we have operations;
- market fluctuations and industry dynamics beyond our control;
- changes in the competition landscape;
- our ability to finance our business growth and obtain financing on favourable terms;
- our ability to manage our growth effectively;
- our ability to compete effectively, particularly in new markets and businesses;
- changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business;
- developments affecting the Indian economy; and
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on page 12, 81 and 129, respectively of the Prospectus.

Forward looking statements reflects views as of the date of the Prospectus and not a guarantee of future performance. By their nature, certain market 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. Neither our Company / our Directors nor the Lead Manager, nor any of its affiliates have any obligation 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 SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in the Prospectus, including the risks and uncertainties summarised below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page 81 and 129, respectively, of the Prospectus as well as the other financial and statistical information contained in the Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled 'Financial Information' beginning on page 111 of the Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP.

If any one or more of the following risks as well as other risks and uncertainties discussed in the Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India, and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.

The Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Prospectus.

These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

Materiality

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

1. Some events may not be material individually but may be material when considered collectively.
2. Some events may have an impact which is qualitative though not quantitative.
3. Some events may not be material at present but may have a material impact in the future.

INTERNAL RISKS

1. **Our Company had negative cash flow in recent fiscal, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

	(₹ in lacs)					
Cash flow from	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Operating activities	(5.81)	(170.22)	7.94	(18.63)	2.92	(0.00)
Investing activities	(7.18)	43.50	12.00	(56.27)	0.00	(0.21)
Financing activities	14.24	134.49	(22.77)	73.59	0.00	0.00

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate

sufficient cash flow, it may adversely affect our business and financial operations. For further details please refer to the section titled 'Financial Information' and chapter titled 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page 111 and 129, respectively, of the Prospectus.

- 2. The objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds in the project is entirely at the discretion of our management and shall be in compliance of Section 27 of the Companies Act 2013. Any revision in the estimates may require us to reschedule our project expenditure and may have a bearing on our expected revenues and earnings.***

Our funding requirements and the deployment of the proceeds of the Issue are purely based on our management's estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time and consequently our funding requirements may also change. Our estimates for expansion may exceed the value that would have been determined by third party appraisals and may require us to reschedule our expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the objects of the Issue is entirely at the discretion of our management and is not subject to monitoring by any external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee and shall be in compliance of Section 27 of the Companies Act 2013.

Any variation in Objects of the Issue shall be in compliance with section 27 of the Companies Act , 2013, i.e. subject to the approval of, or except subject to an authority given by the company in general meeting by way of special resolution. Provided that the details, as may be prescribed, of the notice in respect of such resolution to shareholders, shall also be published in the newspapers (one in English and one in vernacular language) in the city where the registered office of our company is situated indicating clearly the justification for such variation.

We further confirm that our company shall not use any amount raised by it through prospectus for buying, trading or otherwise dealing in equity shares of any other listed company.

The dissenting shareholders being those shareholders who have not agreed to the proposal to vary the terms of contracts or objects referred to in the prospectus, shall be given an exit offer by promoters or controlling shareholders at such exit price, and in such manner and conditions as may be specified by the Securities and Exchange Board of India.

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

As on date, we have not made any alternate arrangements for meeting our working capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled "Objects of the Issue" beginning on page 53 of the Prospectus.

- 4. Our operations are significantly located in the Surat region and failure to expand our operations may restrict our growth and adversely affect our business***

Currently, our registered office is situated in Surat and we are carrying our business mainly from our Surat Office. Hence our major revenues are generated from operations in this region only. In the event that demand for our 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.

5. *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.*

Our business operations require us to obtain and renew from time to time, 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 135 of the Prospectus.

6. *Our success depends largely upon the services of our Promoters and other key managerial personnel and our ability to attract and retain them.*

We are dependent on our Managing Director and Promoter Mr. Alok B. Jain for setting our strategic direction and managing our businesses. Our Promoter has over the years built relations with suppliers, customers and other persons who are connected with us. Accordingly, our Company’s performance is dependent upon the services of our Promoter, and other key managerial personnel. Our future performance will depend upon the continued services of these persons. Demand for key managerial personnel in the industry is intense and our inability to attract and retain key managerial personnel may affect the operations of our Company.

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

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

8. *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.

- 9. 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, 2015, our top 5 clients contributed almost 93.47% 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.

- 10. We do not own our Registered Office and Corporate Office from which we operate.**

We do not own the premises on which our Registered Office is situated. We have our registered office at: 203, Trividh Chambers, Rushabh Petrol Pump Lane, Ring Road, Surat - 395002, Gujarat. We have taken the said office on rent from vide Rent Agreement dated September 14, 2015 from Mr. Sanjaykumar Kanubhai Shah for a period of 11 months till August 20, 2016. We cannot assure you that we will have the right to occupy, the aforementioned premises in future, or that we will be able to continue with the uninterrupted use of this property, which may impair our operations and adversely affect our financial condition. We have not entered into any agreements and hence we may not be able to enforce our rights in the event of a dispute. For further details of our office premises please refer to the section titled "Our Business Overview" on page 81 of this Prospectus.

- 11. Our Company does not own the trademark 'S' and neither we have applied for the registration of the same. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.**

We are using 'S' as our trade mark. We do not own the same and neither we have made an application for the registration of the same. The registration for the said trademark is important to retain our brand equity. If we are not able to register our trademark, we may lose the statutory protection available to us under the Trade Marks Act, 1999 for such trademark. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.

- 12. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.**

We have not paid any dividends since incorporation. Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders.

Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

- 13. Future issuances of Equity Shares or future sales of Equity Shares by our Promoters and**

certain shareholders, or the perception that such sales may occur, may result in a decrease of the market price of our Equity Shares.

In the future, we may issue additional equity securities for financing our capital requirements. In addition, our Promoters and certain shareholders may dispose off their interests in our Equity Shares directly, indirectly or may pledge or encumber their Equity Shares. Any such issuances or sales or the prospect of any such issuances or sales could result in a dilution of shareholders' holding or a negative market perception and potentially in a lower market price of our Equity Shares.

14. *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 and our Promoter Group. 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 favorable 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 financial condition and results of operations. For further details, please refer to "Related Party Transactions" beginning on page 105 of this Prospectus.

15. *Our Company has not taken any insurance cover at present. Hence we will not be able to protect us from all losses and may inturn adversely affect our financial condition.*

Our Company has not taken any insurance cover at present. Hence we don't have any coverage to cover any damage or loss suffered by us. To the extent that we suffer loss or damage that is not covered by insurance our results of operations or cash flow may be affected.

16. *The requirements of being a listed company may strain our resources.*

As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015, which require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies. As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, for which significant resources and management overview will be required.

17. *Our Group Company promoted by our Promoter has incurred losses in the last three years. Sustained financial losses by our Group Companies may not be perceived positively by external parties such as clients, customers, bankers etc, which may affect our credibility and business operations.*

The following Group Company promoted by the Promoter has incurred losses in one or more of the last three years:

Name of the Company	(₹ Lacs) FY 2014
Mercury Ventures Private Limited	(0.02)

EXTERNAL RISKS

1. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the financial services sector contained in the Prospectus.*

While facts and other statistics in the Prospectus relating to India, the Indian economy and the steel sector has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled ‘*Industry Overview*’ beginning on page number 74 of the Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

2. ***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.

3. ***Global economic conditions have been unprecedented and continue to have, an adverse effect on the global and Indian financial markets which may continue to have a material adverse effect on our business.***

Recent global market and economic conditions have been unprecedented and challenging with tighter credit conditions and an economic recession has been witnessed in most economies in 2009. Continued concerns about the systemic impact of potential long-term and wide-spread economic recession, energy costs, geopolitical issues, the availability and cost of credit, and the global housing and mortgage markets have contributed to increased market volatility and diminished expectations for western and emerging economies. These conditions, combined with volatile oil prices, declining business and consumer confidence and increased unemployment, have contributed to volatility of unprecedented levels. As a result of these market conditions, the cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases, cease to provide credit to businesses and consumers. These factors have led to a decrease in spending by businesses and consumers alike and corresponding decreases in global infrastructure spending and commodity prices. These market and economic conditions have an adverse effect on the global and Indian financial markets and may continue to have a material adverse effect on our business and financial performance, and may have an impact on the price of the Equity Shares.

4. ***Any disruption in the supply of power, IT infrastructure, telecom lines and disruption in internet connectivity could disrupt our business process or subject us to additional costs.***

Any disruption in basic infrastructure or the failure of the Government to improve the existing infrastructure facilities could negatively impact our business since we may not be able to provide timely or adequate services to our clients. We do not maintain business

interruption insurance and may not be covered for any claims or damages if the supply of power, IT infrastructure, internet connectivity or telecom lines is disrupted. This may result in the loss of a client, impose additional costs on us and have an adverse effect on our business, financial condition and results of operations and could lead to decline in the price of our Equity Shares.

5. *Natural calamities and changing weather conditions caused as a result of global warming could have a negative impact on the Indian economy and consequently impact our business and profitability.*

Natural calamities such as draughts, floods, and earthquakes could have a negative impact on the Indian economy and may cause suspension, delays or damage to our current projects and operations, which may adversely impact our business and our operating results. India's being a monsoon driven economy, climate change caused due to global warming bringing deficient / untimely monsoons could impact Government policy which in turn would adversely affect our business.

6. *Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.*

The Government of India has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. However, there can be no assurance that such policies will be continued in the future. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and adversely affect our business, financial condition and results of operations.

7. *Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.*

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Terrorist attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally.

8. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in a timely manner, or at all.*

In accordance with Indian law and practice, permission for listing and trading of the 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 authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

9. *The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.*

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Lead Manager have appointed Choice Equity Broking Private Limited as Designated Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market,

performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments.

In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Makers please refer to the chapter titled “General Information” beginning on page 33 of this Prospectus.

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

Following the Issue, we will be subject to a daily “circuit breaker” imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchange. The percentage limit on our circuit breakers will be set by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares.

The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

- 11. *Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.***

The Indian securities markets are smaller than securities markets in more developed economies and 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 the more developed economies. Indian stock exchange have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading and limited price movements. A closure of, or trading stoppage on the BSE could adversely affect the trading price of the Equity Shares.

PROMINENT NOTES:

1. This is a Public Issue of 26,00,000 Equity Shares of ₹ 10 each at par aggregating to ₹ 260.00 Lacs by Ghushine Fintrade Ocean Limited
2. For information on changes in our Company’s name, Registered Office and changes in the objects clause of the MOA of our Company, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page 86 of the Prospectus.

3. Our Net Worth as at March 31, 2015 was ₹ 239.97 Lacs and as at December 31, 2015 was ₹ 302.40 Lacs.
4. The Net Asset Value per Equity Share as at March 31, 2015 was ₹ 10.23 and as at December 31, 2015 was ₹ 12.90.
5. Investors may contact the Lead Manager for any complaint pertaining to the Issue. All grievances relating to ASBA may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares for which the applied, Application Amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the ASBA Form has been submitted by the ASBA Applicant.
6. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoter	Average cost of acquisition (in ₹)
Mr. Alok B. Jain	6.98
Mrs. Kapila A. Jain	5.84

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled “Capital Structure” beginning on page 41 of the Prospectus.

7. For the details of the group companies having business interests or other interests in the issuer please refer to the section titled “Our Group Entities” on page 107 of the Prospectus.
8. For details of transaction by our Company with group companies or group entities please refer to “Section VI Financial Information” beginning on page 111 of the Prospectus.
9. There has been no financing arrangement whereby the Promoter Group, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Prospectus.
10. Our Company its Promoters / Directors, Company’s Associates or Group companies have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI. The Promoter, their relatives, Company, group companies, associate companies are not declared as willful defaulters by RBI / Government authorities and there are no violations of securities laws committed in the past or pending against them.
11. Investors are advised to refer to the paragraph titled “Basis for Issue Price” beginning on page 57 of the Prospectus.
12. The Lead Manager and our Company shall update the Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of the Prospectus and commencement of trading.
13. 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.
14. In the event of over-subscription, allotment shall be made as set out in paragraph titled “Basis of Allotment” beginning on page **Error! Bookmark not defined.** of the Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. BSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.

15. The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our Company 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 refer to the section titled “*Our Management*” on page 90 of the Prospectus.
16. No part of the Issue proceeds will be paid as consideration to Promoter, Directors, Key Managerial Personnel or persons forming part of Promoter Group.
17. Our Company does not have any contingent liabilities outstanding as on December 31, 2015.

SECTION III - INTRODUCTION

SUMMARY OF OUR INDUSTRY

GENERAL MACRO-ECONOMIC ENVIRONMENT AND INVESTMENT CLIMATE

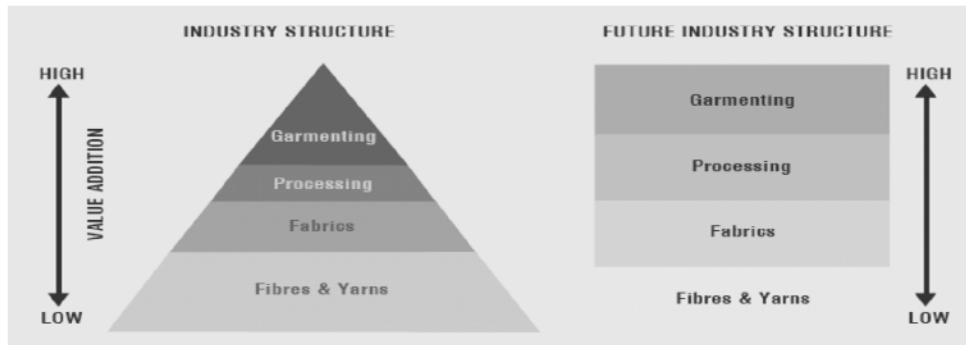
The Indian textiles industry represents a widely diverse spectrum of activities with the hand-spun and handwoven sector at one end, and the capital intensive sophisticated mill sector at the other. The decentralized power looms, hosiery and knitting sectors form the largest section of the Textiles Industry. The close linkage of the Industry to agriculture and the ancient culture, and traditions of the country make the Indian textiles sector unique in comparison to the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country.

(Source: Annual Report 2014 – 2015, Ministry of Textiles, GOI)

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 industry realised export earnings worth US\$ 41.4 billion in 2014-15, a growth of 5.4 per cent, as per The Cotton Textiles Export Promotion Council (Texprocil). The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

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

Current Industry Structure and Future Industry Structure



The current textile industry structure in India is with maximum players in the Fibres and Yarns and very few players in the Garmenting and retailing sector. But now Indian players have realized the need to be a vertically integrated player and more and more companies are moving up the value chain both organically as well as through consolidations.

The major sub-sectors that comprise the textiles sector include the organized Cotton / Man-Made Fibre Textiles Mill Industry, the Man-made Fibre / Filament Yarn Industry, the Wool and Woollen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles Industry, and Textiles Exports.

THE POWERLOOM SECTOR

The powerloom sector is a decentralised and unorganised sector, and forms one of the most important segments of the Textile Industry in terms of fabric production and employment generation. It provides employment to 60.86 lakh persons and contributes 58.26 % of total cloth production in the Country. 60% of the fabric produced in the powerloom sector is of man-made fibre. More than 60% of fabric meant for export is also sourced from powerloom sector. The

readymade garments and home textile sectors are heavily dependent on the powerloom sector to meet their fabric requirement.

There are approximately 5.38 lakh powerloom units with 24.34 lakh powerlooms in the country. The technology level of this sector varies from plain loom to high-tech shuttleless looms. There are approximately 1.25 lakh shuttleless looms in this sector. More than 75% of the shuttle looms are obsolete and outdated with a vintage of more than 15 years and have virtually no process or quality control devices / attachments. However, there has been significant up-gradation in the technology level of the powerloom sector during the last 7 to 8 years.

The year-wise growth in the number of looms installed is given in table below:

Year	No. of Powerlooms	Growth percentage
2006-07	19,90,308	-
2007-08	21,06,370	5.80%
2008-09	22,05,352	4.70%
Year	No. of Powerlooms	Growth percentage
2009-10	22,46,474	1.90%
2010-11	22,82,744	1.61%
2011-12	22,98,377	0.68%
2012-13	23,47,249	2.08%
2013-14	23,67,594	0.86%
2014-15 (up to Nov. 2014)	24,34,717	2.74%

The details of total cloth production and production by powerloom sector during the last five years are given in table below:

Year	Total production	Powerloom Production	% age of powerloom cloth production	% age increase over previous year	
				Total Production	Powerloom production
2008-09	54,966	33,648	61.22%	-	-
2009-10	60,333	36,997	61.29%	9.76%	9.95%
2010-11	62,559	38,015	60.77%	3.69%	2.75%
2011-12	60,453	37,445	61.94%	(-) 3.37%	(-) 1.50%
2012-13	62,792	38,038	60.57%	3.87%	1.58%
2013-14	63,500	36,790	57.93%	(-) 4.35%	(-) 12.40%
2014-15 (up to Sep. 14)	33,034(P)	19,247(P)	58.26%	0.56%	0.87%

(Source: Annual Report 2014 – 2015, Ministry of Textiles, GOI)

HANDLOOMS

Handloom weaving is one of the largest economic activity after agriculture providing direct and indirect employment to more than 43 lakh weavers and allied workers. This sector contributes nearby 15% of the cloth production in the country and also contributes to the export earning of the country. 95% of the world's hand woven fabric comes from India.

The handloom sector has a unique place in our economy. It has been sustained by transferring skills from one generation to another. The strength of the sector lies in its uniqueness, flexibility of production, openness to innovations, adaptability to the supplier's requirement and the wealth of its tradition. The adoption of modern techniques and economic liberalization, however have made serious inroads into the handloom sector. Competition from powerloom and mill sector, availability of cheaper imported fabrics, changing consumer preferences and alternative employment opportunities have threatened the vibrancy of handloom sector.

The handloom forms a precious part of the generational legacy and exemplifies the richness and diversity of our country and the artistry of the weavers. Tradition of weaving by hand is a part of the country's cultural ethos. As an economic activity, handloom is the one of the largest employment providers after agriculture. The sector provides employment to 43.31 lakh persons engaged on about 23.77 lakh handlooms – of which, 10% are from scheduled castes, 18% belong to scheduled tribes, 45% belong to other backward classes and 27% are from other castes.

Production in the handloom sector recorded a figure of 7116 million sq. meters in the year 2013-14. During 2014-15, production in the handloom sector is reported to be 3547 million sq. Meters (April – September 2014) and details are given in table below:

(in million sq meters)

Year	Cloth production by handloom sector	Share of handloom in the total cloth production	Ratio of handloom to powerloom (in terms of cloth)	Total cloth production*
2008-09	6677	15.9	1:5.04	42121
2009-10	6806	14.9	1:5.41	45819
2010-11	6949	14.6	1:5.59	47083
2011-12	6900	14.8	1:5.42	46600
2012-13	6952	11.22	1:5.47	61949
2013-14	7116	15.01	1:5.65	47388
2014-15 (upto Sept. 2014)	3547	14.73	1:5.78	24065

* The total cloth production includes handloom, powerloom and mill sector excluding hosiery, khadi, wool and silk.

(Source: Annual Report 2014 – 2015, Ministry of Textiles, GOI)

PROCESSING SECTOR

The textile-processing segment of the Indian textile industry is highly fragmented and can be broadly divided into four segments:

- (i) Hand processing units.
- (ii) Hand processing units with certain exempted power processes.
- (iii) Independent power processing units.
- (iv) Processing facilities attached to composite or semi-composite mills.

EXPORTS

India's textiles and clothing industry is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India's exports worldwide. The report of the Working Group constituted by the Planning Commission on boosting India's manufacturing exports during 12th Five Year Plan (2012-17) envisages India's exports of Textiles and Clothing at US\$ 64.41 billion by the end of March, 2017. The textiles industry accounts for 14% of industrial production, which is 4% of GDP; employs 45 million people and accounts for 13% share of the Country's total exports basket. India is major exporting country as far as textile sector is concerned and not dependent on import. Majority of import takes place for re-export or special requirement. As per the UN Comtrade, 2013 data released in June 2014 India is ranked as 2nd largest Textile and Clothing exporter in globe with USD 40 bn. While in clothing exports India was ranked 6th largest exporters amongst all exporting countries with worth of USD 15.7 bn. clothing exports. As per UN Comtrade China is largest T&C exporter followed by India, Italy, Germany, Bangladesh and Turkey in 2013 while in clothing export category China, Bangladesh, Italy, Germany, Vietnam and India are the major exporters in their respective position.

The Export and Import of Textiles & Clothing (T&C) during 2014-15 (April-Nov.) was as under:

Export	2013-14		2014-15 (April-Nov. 2014)	
	Creore	US\$ Mn	Creore	US\$ Mn
India Textile & Clothing	214918.45	35425.97	14579.98	24083.15
Handicrafts	23504.42	3884.91	5694.48	939.88
Total T&C including Handicrafts	238422.87	39310.88	151424.46	25023.03
% Textile Exports of overall exports	12.59%	12.58%	13.49%	13.46%
India's overall exports	1894181.95	312610.30	1122499.75.15	185970.07

Provisional Source: DGCI&S

Import	April-Oct, 2014 (as per DoC data)
Total Textile and Clothing import	3045.45 US\$ Mn.

*Source: DGCI&S

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.

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

SUMMARY OF OUR BUSINESS

We are engaged in trading activities of various textile materials (semi-finished and finished products) in the textile market. Our Company is involved in trading of various textile products which are of high quality and also bulk trading. We are located in textile hub of Surat which give us an added advantage in terms of procurement.

We are engaged in the trading of following textile products:

- Grey Fabric
- Fabric for Suiting & Shirtings
- Sarees
- Dress Materials
- Quilting Fabric
- Fabric for home furnishings such as curtains

Our Company is engaged in trading of all kind of fabrics, including cotton, poly cotton, and all kind of synthetic fabrics. Our product range includes both finished and unfinished fabrics, offered in almost all widths ranging from 36" to 120". The company is now actively engaged in supplying fabrics to various corporates in textile sector.

SUMMARY OF OUR FINANCIAL INFORMATION

The following tables set forth summary financial information derived from restated standalone financial statements as of and for the period ended December 31, 2015 and financial years ended March 31, 2015, 2014, 2013, 2012 and 2011. The summary financial information presented below should be read in conjunction with the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Financial Information” beginning on page 129 and 111, respectively of the Prospectus.

GHUSHINE FINTRADE OCEAN LIMITED (STANDALONE)**Statement of Assets and Liabilities (As Restated)**

(₹ in Lacs)

Particulars	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Equity & Liabilities						
Shareholders Fund						
-Equity Share Capital	234.49	234.49	99.99	90.25	49.15	49.15
-Preference Share Capital	0.00	0.00	0.00	0.00	0.00	0.00
Total(a)	234.49	234.49	99.99	90.25	49.15	49.15
Reserves and surplus						
Share Premium	13.87	13.87	13.87	13.87	13.87	13.87
General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Capital Subsidy	0.00	0.00	0.00	0.00	0.00	0.00
P&L Account	58.54	(6.39)	(6.89)	(7.79)	(7.81)	(7.80)
Less: Revaluation Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Total(b)	72.41	7.48	6.98	6.08	6.06	6.07
Total (C) Total Shareholders Fund	306.90	241.97	106.97	96.33	55.21	55.22
Non Current Liabilities						
Long Term Borrowings	14.25	0.00	0.00	32.50	0.00	0.00
Long term provisions	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Tax Liability	0.00	0.00	0.00	0.00	0.00	0.00
Total Non Current Liabilities	14.25	0.00	0.00	32.50	0.00	0.00
Current Liabilities						
Short Term Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Trade Payables	234.52	0.00	0.00	0.00	0.00	0.00
Other Current Liabilities	0.00	0.32	0.00	0.00	0.00	0.00
Short Term Provisions	35.11	0.18	0.58	0.11	0.07	0.04
Total Current Liabilities	269.63	0.50	0.58	0.11	0.07	0.04
Total Equity & Liability	590.78	242.47	107.55	128.94	55.28	55.26
Non-Current Assets						
a) Fixed Assets						
Tangible Assets	1.29	0.24	0.30	0.37	0.48	0.69
Intangible Assets	0.00	0.00	0.00	0.00	0.00	0.00
Capital Work in Progress	0.00	0.00	0.00	0.00	0.00	0.00

Total Fixed Assets (a)	1.29	0.24	0.30	0.37	0.48	0.69
b) Non Current Investments	0.00	0.00	45.50	57.50	1.23	1.23
c) Long Term Loans and Advances	0.00	0.00	0.20	0.12	0.06	0.06
d) Other Non Current Assets	8.27	2.00	0.00	0.00	0.00	0.00
e) Deferred Tax Asset	0.00	0.00	0.00	0.00	0.00	0.00
Total Non Current Assets	9.56	2.24	46.00	57.99	1.77	1.98
Current assets						
Current Investments	0.00	0.00	0.00	0.00	0.00	0.00
Inventories	18.68	135.75	0.00	0.00	0.00	0.00
Trade Receivables	454.23	6.92	0.00	6.11	41.11	50.15
Cash and Cash Equivalents balances	9.96	8.71	0.76	3.59	4.90	2.00
Short Term Loans and advances	97.93	88.73	60.67	61.25	7.50	1.13
Other Current Assets	0.42	0.12	0.12	0.00	0.00	0.00
Total Current Assets	581.22	240.23	61.55	70.95	53.51	53.28
Total Assets	590.78	242.47	107.55	128.94	55.28	55.26

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

Summary Statement of Profit and Loss, As Restated*(₹ in Lacs)*

Particulars	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Income						
Operating Income	821.49	6.26	0.35	0.00	0.00	0.00
Other Income	11.26	5.06	5.72	0.26	1.35	0.00
Increase/ (Decrease) in Inventory	(117.07)	135.75				
Total Revenue	715.68	147.07	6.07	0.26	1.35	0.00
Expenditure						
Purchase of Stock in Trade	604.08	141.54	0.35	0.00	0.00	0.00
Employee Benefit Expenses	6.47	0.24	1.42	0.00	0.45	0.48
Other Operating and Administrative Expenses	5.33	4.26	3.14	0.12	0.70	1.11
Total (B)	615.88	146.04	4.91	0.12	1.15	1.59
Profit Before Interest, Depreciation and Tax	99.80	1.03	1.16	0.14	0.21	(1.59)
Depreciation	0.04	0.06	0.07	0.11	0.21	0.15
Profit Before Interest and Tax	99.76	0.97	1.09	0.03	(0.00)	(1.74)
Financial Charges	0.01	0.01	0.01	0.01	0.00	0.00
Profit before Taxation	99.75	0.96	1.08	0.02	(0.005)	(1.74)
Provision for Taxation	35.00	0.29	0.18	0.00	0.00	0.00
Provision for Deferred Tax	0.00	0.00	0.00	0.00	0.00	0.00
Total	35.00	0.29	0.18	0.00	0.00	0.00
Profit After Tax but Before Extra ordinary Items	64.75	0.67	0.90	0.02	(0.005)	(1.74)
Prior Period Provision for Tax	0.00	0.00	0.00	0.00	0.00	0.00
Net Profit after adjustments	64.75	0.67	0.90	0.02	(0.005)	(1.74)
Net Profit Transferred to Balance Sheet	64.75	0.67	0.90	0.02	(0.005)	(1.74)

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

Summary Statement of Cash Flow, As Restated

(₹ in Lacs)

PARTICULARS	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit Before Tax	99.75	0.96	1.08	0.02	(0.00)	(1.74)
<i>Adjusted for :</i>						
a. Depreciation	0.04	0.06	0.07	0.11	0.21	0.15
b. Interest Expenses	0.01	0.01	0.01	0.01	0.00	0.00
c. Other Adjustments	0.00	0.00	0.00	0.00	0.00	(0.32)
Operating profit before working capital changes	99.80	1.03	1.16	0.14	0.21	(1.91)
<i>Adjusted for :</i>						
a. Decrease / (Increase) in Inventories	117.07	(135.75)	0.00	0.00	0.00	0.00
b. Decrease / (Increase) in trade receivable	(447.31)	(6.92)	6.11	35.00	9.04	3.00
c. (Increase) / Decrease in short term loans and advances	(9.20)	(28.06)	0.58	(53.75)	(6.37)	(1.13)
d. (Increase) / Decrease in Other Current Assets	0.30	0.00	(0.12)	0.00	0.00	0.00
e. (Increase) / Decrease in Long term loans and advances	0.00	0.20	(0.08)	(0.06)	0.00	0.00
f. Increase / (Decrease) in Trade Payables	234.52	0.00	0.00	0.00	0.01	0.00
g. Increase / (Decrease) in short term provisions	34.93	(0.40)	0.47	0.04	0.03	0.04
h. Increase / (Decrease) in other current liabilities	(0.32)	0.32	0.00	0.00	0.00	0.00
i. Increase / (Decrease) in Long Term Provisions	0.00	0.00	0.00	0.00	0.00	0.00
Cash generated from operations	29.19	(169.58)	8.12	(18.63)	2.92	(0.00)
Income Tax	35.00	0.46	0.18	0.00	0.00	0.00
NET CASH GENERATED FROM OPERATION	(5.81)	(170.04)	7.94	(18.63)	2.92	(0.00)
B. CASH FLOW FROM INVESTING ACTIVITIES						
a. Purchase of Fixed Assets	(0.91)	0.00	0.00	0.00	0.00	(0.21)
b. Sale of Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00
c. (Purchase) / Sale of non-current investment	0.00	45.50	12.00	(56.27)	0.00	0.00
d. Interest received	0.00	0.00	0.00	0.00	0.00	0.00
e. Dividend Income	0.00	0.00	0.00	0.00	0.00	0.00
f. (Increase) / Decrease in Other Non Current Assets	(6.27)	(2.00)	0.00	0.00	0.00	0.00
Net cash (used) in investing activities	(7.18)	43.50	12.00	(56.27)	0.00	(0.21)
C. CASH FLOW FROM FINANCING ACTIVITIES						
a. Interest Paid	(0.01)	(0.01)	(0.01)	(0.01)	0.00	0.00
b. Proceeds from share issued	0.00	134.50	9.74	41.10	0.00	0.00

c. (Repayments) / proceeds of long term borrowings	14.25	0.00	(32.50)	32.50	0.00	0.00
d. (Repayments) / proceeds of short term borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Net cash generated/(used) in financing activities	14.24	134.49	(22.77)	73.59	0.00	0.00
Net Increase / (Decrease) in cash and cash equivalents	1.25	7.95	(2.83)	(1.31)	2.92	(0.21)
Cash and cash equivalents at the beginning of the year	8.71	0.76	3.59	4.90	2.00	2.21
Cash and cash equivalents at the end of the year	9.96	8.71	0.76	3.59	4.90	2.00

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year.
- The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

THE ISSUE

Present Issue in terms of the Prospectus:

Issue Details	
Equity Shares offered	26,00,000 Equity Shares of face value of ₹ 10 each
<i>Of which:</i>	
Reserved for Market Makers	1,40,000 Equity Shares of face value of ₹ 10 each
Net Issue to the Public	24,60,000 Equity Shares of face value of ₹ 10 each
Of the Net Issue to the Public	
Allocation to Retail Individual Investors	12,30,000 Equity Shares of face value of ₹ 10 each at a price of ₹ 10 per Equity Share
Allocation to Other than Retail Individual Investors	12,30,000 Equity Shares of face value of ₹ 10 each at a price of ₹ 10 per Equity Share
Equity Shares outstanding prior to the Issue	23,44,900 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Issue	49,44,900 Equity Shares of face value of ₹ 10 each
Use of Proceeds	For further details please refer chapter titled “Objects of the Issue” beginning on page 53 of the Prospectus for information on use of Issue Proceeds

Notes

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 refer to section titled ‘Issue related Information’ beginning on page 150 of the Prospectus.
2. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on October 1, 2015 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act at the EGM held on October 27, 2015.

GENERAL INFORMATION

GHUSHINE FINTRRADE OCEAN LIMITED

Our Company was incorporated as ‘Pallavi Finstock Private Limited’ a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated May 10, 1995 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to ‘Pallavi Finstock Limited’ pursuant to a Certificate of Incorporation dated July 14, 2015 issued by the Registrar of Companies, Gujarat, Ahmedabad. Further the name of our company was changed to ‘Ghushine Fintrade Ocean Limited’ vide Certificate of Incorporation pursuant to change of name dated August 4, 2015 issued by the Registrar of Companies, Gujarat, Ahmedabad. Our corporate identification number is U65910GJ1995PLC025823.

Registered Office of our Company

Ghushine Fintrade Ocean Limited

203, Trividh Chambers,
Rushabh Petrol Pump Lane,
Ring Road, Surat - 395002,
Gujarat
Tel: +91 261 2332122
Fax: +91 261 2332122
Email: ghushine95e@gmail.com
Website: www.ghushine.com

For details of change in the name and Registered Office of our Company, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page 86 of the Prospectus.

Address of the RoC

Registrar of Companies, Gujarat

ROC Bhavan , Opp Rupal Park Society,
Behind Ankur Bus Stop,
Naranpura, Ahmedabad-380013

Name of the Stock Exchange where Equity Shares are proposed to be listed

Our Company proposed to list its Equity Shares on the SME Platform of BSE Limited.

Issue Programme

Issue Opens on: MONDAY, APRIL 25, 2016
Issue Closes on: WEDNESDAY, APRIL 27, 2016

Our Board of Directors

The following table sets out details regarding our Board as on the date of the Prospectus:

Sr. No.	Name and Designation	Age (in years)	DIN	Address
1.	Mr. Alok B. Jain Managing Director	44	01426732	F-316, Green Avenue Com, Union Park Gali, Ghod Dod Road, Surat, Gujarat, India 395006

Sr. No.	Name and Designation	Age (in years)	DIN	Address
2.	Mrs. Kapila A. Jain <i>Director</i>	41	01426794	F-316, Green Avenue Com, Union Park Gali, Ghod Dod Road, Surat, Gujarat, India 395006
3.	Ms. Bhavini Lankapati Jagdish <i>Independent Director</i>	24	07315285	21, Mahaprabhu Nagar, Limbayat, Surat, Gujarat, India 394210
4.	Mrs. Sheela Somnath Kadechkar <i>Independent Director</i>	64	06862410	Behind Sundar Nagar, C-002, Amarpali, Malad (West), Mumbai, Maharashtra, India 400064
5.	Mr. Ketan Ishvarlal Parekh <i>Independent Director</i>	42	07316491	A-201, Anjan Salakha Bldg, Near Jain Derasar, Bawan Jinadan, Tighra Jakat Naka, Navsaeri, Gujarat, India 396445

For detailed profile of our Managing Director and other Directors, refer to chapters titled “Our Management” and “Our Promoters and Promoter Group” beginning on page 90 and 103 respectively of the Prospectus.

Company Secretary and Compliance Officer

Ms. Akriti Sharma
Ghushine Fintrade Ocean Limited
 203, Trividh Chambers,
 Rushabh Petrol Pump Lane,
 Ring Road, Surat - 395002,
 Gujarat
Tel: +91 261 2332122
Fax: +91 261 2332122
Email: ghushine95e@gmail.com
Website: www.ghushine.com

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue, Purva Sharegistry (India) Private Limited and / or the Lead Manager, i.e., First Overseas Capital Limited, 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 account or refund orders, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs to whom the Application was submitted (at ASBA Locations) where the ASBA Form was submitted by the ASBA Applicants.

Lead Manager to the Issue

First Overseas Capital Limited
 1st Floor, B Wing, Todi Estate
 Sun Mill Compound
 Lower Parel, Mumbai - 400013

Tel No: +91 22 4050 9999; **Fax No:** +91 22 4050 9900
Email: rushabh@focl.in
Investor Grievance Email: investorcomplaints@focl.in
Website: www.focl.in
SEBI Registration No: INM000003671
Contact Person: Mr. Rushabh Shroff

Registrar to the Issue

Purva Sharegistry (India) Private Limited
No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg
Lower Parel, Mumbai-400 011
Tel: +91 22 2301 6761/8261
Fax: +91 22 2301 2517
Website: www.purvashare.com
Email: busicomp@vsnl.com
SEBI Regn No. INR000001112
Contact Person: Mr. Rajesh Shah

Legal Counsel to the Issue

M.S. Prasad
Advocate, High Court
423, New Hanuman Nagar,
Danda, Khar West,
Mumbai - 400 052
Tel No: +91 9322295503
Email: msprasad1952@yahoo.co.in

Bankers to our Company

TJSB Sahakari Bank Limited
G-1/A ITC Building,
Majura Gate Crossing, Ring Road,
Surat -395 002, Gujarat
Tel: +91 261 2460172
Fax: +91 261 2460172
Email: tjsb.98@tjsb.co.in
Website: www.tjsb.co.in
Contact Person: Mr. Kamlesh Takle

Statutory Auditors of our Company

Jain Anil & Associates
Chartered Accountants
1603, Gurav Height,
Mahavir Nagar,
Kandivali (East),
Mumbai - 400052
Tel: +91 9870992248
Email: aniljainajmer@yahoo.com
Contact Person: Mr. Anil Jain
Membership No: 39803
FRN: 115987W

Independent Auditor of our Company (Peer Review certified)

MNRD & Associates

Chartered Accountants
Room No. 2, 3rd Floor, Abbas Manzil
Sahar Road, Chakala
Andheri (East)
Mumbai – 400 099
Tel: +91 22 4236 9555
Fax: +91 22 4236 9563
Firm Registration Number: 126991W
Contact Person: Narayan B. Toshniwal

Bankers to the Issue

HDFC Bank Limited

FIG-OPS Department, Lodha I Think Techno Campus,
0-3, Level, Next to Kanjurmarg Railway Station,
Kanjurmarg East, Mumbai – 400 042
Tel No: +91 22 3075 2928
Fax No: +91 22 2579 9801
Email: vincent.dsouza@hdfcbank.com
Website: www.hdfcbank.com
SEBI Registration No: INB100000083
Contact Person: Mr. Vincent Dsouza

Self Certified Syndicate Banks (SCSB's)

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>. For list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries and updated from time to time, please refer to the above-mentioned link.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, are provided on the websites of the BSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 as updated from time to time.

RTAs

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchanges at www.bseindia.com as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> as updated from time to time.

Statement of Responsibility of the Lead Manager/ Statement of inter se allocation of responsibilities

Since First Overseas Capital Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

Credit Rating

This being an issue of Equity Shares, there is no requirement of credit rating for the Issue.

IPO Grading

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

Brokers to the Issue

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

Expert Opinion

Except for the report which will be provided by (a) statutory auditors' reports on the restated financial statements; and (b) statement of tax benefits by the statutory auditors, (a copy of the said report and statement of tax benefits has been included in the Prospectus), we have not obtained any other expert opinions.

Trustees

This is an issue of Equity Shares, the appointment of trustee is not required.

Appraisal and Monitoring Agency

The objects of the Issue have not been appraised by any agency. The Objects of the Issue and means of finance, therefore, are based on internal estimates of our Company. As the net proceeds of the Issue will be less than ₹ 50,000 Lacs, under the sub-regulation (1) of Regulation 16 of SEBI (ICDR) Regulations, 2009 it is not required that a monitoring agency be appointed by our Company.

However, as per SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

Underwriting Agreement

This Issue is 100% Underwritten. The Underwriting agreement is dated December 1, 2015. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lacs)	% of the Total Issue Size Underwritten
First Overseas Capital Limited 1 st Floor, B Wing, Todi Estate Sun Mill Compound Lower Parel, Mumbai - 400013 Tel No: +91 22 4050 9999 Fax No: +91 22 4050 9900	26,00,000	260.00	100.00%

SEBI Registration No: INM000003671			
Total	26,00,000	260.00	100.00%

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

Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager have entered into a tripartite agreement dated December 1, 2015, with the following Market Maker, duly registered with BSE to fulfill the obligations of Market Making:

Choice Equity Broking Private Limited

Shree Shakambhari Corporate Park,
156-158, Chakravarti Ashok Society,
J.B.Nagar, Off Sahar Road,
Andheri (East),
Mumbai-400099

Tel No: +91 22 6707 9999

Fax No: +91 22 6707 9898

Email: mahavir.toshniwal@choiceindia.com

SEBI Registration No: INB011377331

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(s) (individually or jointly) 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(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) 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) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) 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.
- 5) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 6) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 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, 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(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

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 our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

- 9) **Risk containment measures and monitoring for Market Makers:** 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 Makers:** 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.

- 11) **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 crores, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the BSE SME Exchange/ Platform.

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1	Up to 50	9
2	50 to 75	8

3	75 to 100	6
4	Above 100	5

- 12) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹ 20 Crore	25%	24%
₹ 20 to ₹ 50 Crore	20%	19%
₹ 50 to ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

- 13) 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 Equity Share capital of our Company, as on the date of the Prospectus and after giving effect to the Issue is set forth below:

No.	Particulars	Amount (₹ in Lacs)	
		Aggregate nominal value	Aggregate value at Issue Price
A. Authorised Share Capital			
	50,00,000 Equity Shares of face value of ₹ 10 each	500.00	--
B. Issued, Subscribed and Paid-Up Share Capital before the Issue			
	23,44,900 Equity Shares of face value of ₹ 10 each	234.49	--
C. Present Issue in terms of the Prospectus^(a)			
	Public Issue of 26,00,000 Equity Shares at a Issue price of ₹ 10 per Equity Share	260.00	260.00
<i>Which comprises:</i>			
	a) <i>Reservation for Market Maker(s)</i> – 1,40,000 Equity Shares of face value of ₹ 10 each reserved as Market Maker portion at a price of ₹ 10 per Equity Share	14.00	14.00
	b) <i>Net Issue to the Public</i> of 24,60,000 Equity Shares of face value of ₹ 10 each at a price of ₹ 10 per Equity Share	246.00	246.00
Of the Net Issue to the Public			
Allocation to Retail Individual Investors			
	- 12,30,000 Equity Shares of face value of ₹ 10 each at a price of ₹ 10 per Equity Share shall be available for allocation for Investors applying for a value of upto ₹ 2 lacs	123.00	123.00
Allocation to Other than Retail Individual Investors			
	- 12,30,000 Equity Shares of face value of ₹ 10 each at a price of ₹ 10 per Equity Share shall be available for allocation for Investors applying for a value of above ₹ 2 lacs	123.00	123.00
D. Issued, Subscribed and Paid-up Share Capital after the Issue			
	49,44,900 Equity Shares of ₹ 10 each	494.49	--
E. Securities Premium Account			
	Before the Issue		13.87
	After the Issue		13.87

The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on October 1, 2015, and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the EGM held on October 27, 2015.

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in authorised Share Capital:

Since the incorporation of our Company, the authorised share capital of our Company has been altered in the manner set forth below:

Particulars of Change		Date of Shareholders' Meeting	AGM/EGM
From	To		
₹ 25,00,000 consisting of 2,50,000 Equity shares of ₹ 10 each.		On incorporation	-
₹ 25,00,000 consisting of 2,50,000 Equity shares of ₹ 10 each	₹ 50,00,000 consisting of 5,00,000 Equity shares of ₹ 10 each	September 4, 1995	EGM
₹ 50,00,000 consisting of 5,00,000 Equity shares of ₹ 10 each	₹ 1,00,00,000 consisting of 10,00,000 Equity shares of ₹ 10 each	September 1, 2009	EGM
₹ 1,00,00,000 consisting of 10,00,000 Equity shares of ₹ 10 each	₹ 3,00,00,000 consisting of 30,00,000 Equity shares of ₹ 10 each	January 12, 2015	EGM
₹ 3,00,00,000 consisting of 30,00,000 Equity shares of ₹ 10 each	₹ 5,00,00,000 consisting of 50,00,000 Equity shares of ₹ 10 each	May 29, 2015	EGM

2. History of Issued and Paid Up Equity Share Capital of our Company

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (₹)	Cumulative Securities premium (₹)
10-May-95	200	10	10	Cash	Subscription to Memorandum of Association	200	2,000	Nil
30-Oct-95	283,500	10	10	Cash	Preferential Allotment	283,700	2,837,000	0
1-Mar-96	91,600	10	10	Cash	Preferential Allotment	375,300	3,753,000	0
26-Mar-96	105,000	10	10	Cash	Preferential Allotment	480,300	4,803,000	0
9-Mar-07	5,000	10	100	Cash	Preferential Allotment	485,300	4,853,000	450000
5-Aug-07	6,250	10	160	Cash	Preferential Allotment	491,550	4,915,500	1387500
31-Mar-13	411,000	10	10	Cash	Preferential Allotment	902,550	9,025,500	1387500
31-Mar-14	97,350	10	10	Cash	Preferential Allotment	999,900	9,999,000	1387500
16-Feb-15	1,345,000	10	10	Cash	Rights Issue	2,344,900	23,449,000	1387500

3. Equity Shares issued for consideration other than cash by our Company.

Our Company has not issued any Equity Shares for consideration other than cash.

4. Details of Promoters' contribution and Lock-in

The Equity Shares held by the Promoters were acquired / allotted in the following manner:

Details of build-up of shareholding of the Promoters and lock-in

Date of Allotment / acquisition / transaction and when made fully paid up	Nature of acquisition (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue/Transfer price per Equity Share (in ₹)	Consideration (cash/other than cash)	% of pre issue capital	% of post issue capital	Lock-in Period	Source of Funds
Mr. Alok B. Jain									
10-May-95	Subscription to Memorandum	100	10.00	10.00	Cash	0.00%	0.00%	3 Years	Own Funds
1-Mar-96	Preferential Allotment	5,000	10.00	10.00	Cash	0.21%	0.10%	3 Years	Own Funds
24-Jun-97	Purchase from Shri Premchand Plantation Private Limited	20,000	10.00	1.75	Cash	0.85%	0.40%	3 Years	Own Funds
24-Jun-97	Purchase from Laxman Hardware Private Limited	20,000	10.00	1.75	Cash	0.85%	0.40%	3 Years	Own Funds
24-Jun-97	Purchase from Rajesh Leasing & Finance Private Limited	20,000	10.00	1.75	Cash	0.85%	0.40%	3 Years	Own Funds
24-Jun-97	Purchase from Sai Fishries Private Limited	20,000	10.00	1.75	Cash	0.85%	0.40%	3 Years	Own Funds
24-Jun-97	Purchase from Archies Consultants Private Limited	20,000	10.00	1.75	Cash	0.85%	0.40%	3 Years	Own Funds
24-Jun-97	Purchase from Tilakraj Iron & Steel Co. Pvt. Ltd.	20,000	10.00	1.75	Cash	0.85%	0.40%	3 Years	Own Funds
24-Jun-97	Purchase from Amit Mercantile Private Limited	22,500	10.00	1.56	Cash	0.96%	0.46%	3 Years	Own Funds
24-Jun-97	Purchase from Dhanshree Construction Private Limited	20,000	10.00	2.00	Cash	0.85%	0.40%	3 Years	Own Funds
24-Jun-97	Purchase from Opera Advertising Private Limited	17,500	10.00	1.75	Cash	0.75%	0.35%	3 Years	Own Funds
24-Jun-97	Purchase from Swek Hightech Engg Private Limited	4,000	10.00	1.75	Cash	0.17%	0.08%	3 Years	Own Funds
31-Mar-14	Preferential Allotment	13,350	10.00	10.00	Cash	0.57%	0.27%	3 Years	Own Funds
16-Feb-15	Rights Issue	170,000	10.00	10.00	Cash	7.25%	3.44%	3 Years	Own Funds
4-Jul-15	Transfer to Kismatben P. Rathod	(10)	10.00	10.00	Cash	0.00%	0.00%	3 Years	Own Funds
4-Jul-15	Transfer to Prahladsingh K. Rathod	(10)	10.00	10.00	Cash	0.00%	0.00%	3 Years	Own Funds
4-Jul-15	Transfer to Pavan Jain	(10)	10.00	10.00	Cash	0.00%	0.00%	3 Years	Own Funds

									Funds
9-Jul-15	Purchase from Samyak Jain	50,000	10.00	10.00	Cash	2.13%	1.01%	3 Years	Own Funds
10-Jul-15	Purchase from Samyak Jain	80,000	10.00	10.00	Cash	3.41%	1.62%	3 Years	Own Funds
	Sub-total	502,420				21.43%	10.16%		
Mrs. Kapila A. Jain									
10-May-95	Subscription to Memorandum	100	10.00	10.00	Cash	0.00%	0.00%	3 Years	Own Funds
1-Mar-96	Preferential Allotment	5,000	10.00	10.00	Cash	0.21%	0.10%	3 Years	Own Funds
24-Jun-97	Purchase from Goyal Computer Land Private Limited	25,000	10.00	2.00	Cash	1.07%	0.51%	3 Years	Own Funds
24-Jun-97	Purchase from Bharat Construction (India) Private Limited	25,000	10.00	2.00	Cash	1.07%	0.51%	3 Years	Own Funds
24-Jun-97	Purchase from Samudra Advertising Marketing Private Limited	25,000	10.00	2.00	Cash	1.07%	0.51%	3 Years	Own Funds
24-Jun-97	Purchase from Simplex Detergents Industries Private Limited	25,000	10.00	2.00	Cash	1.07%	0.51%	3 Years	Own Funds
15-Oct-06	Gift from Balesh Kumar Jain HUF	46,000	10.00	0.00	Other than cash - Gift	1.96%	0.93%	3 Years	N.A.
15-Oct-06	Gift from Mrs. Prakeshvati Jain	140,100	10.00	0.00	Other than cash - Gift	5.97%	2.83%	1 Year	N.A.
31-Mar-13	Preferential Allotment	270,000	10.00	10.00	Cash	11.51%	5.46%	3 Years	Own Funds
31-Mar-14	Preferential Allotment	18,000	10.00	10.00	Cash	0.77%	0.36%	3 Years	Own Funds
9-Jul-15	Purchase from Samyak Jain	60,000	10.00	10.00	Cash	2.56%	1.21%	3 Years	Own Funds
	Sub-total	639,200				27.26%	12.93%		
	Grand Total	1,141,620				48.69%	23.09%		

As per clause (a) sub-regulation (1) Regulation 32 of the SEBI ICDR Regulations and in terms of the aforesaid table, an aggregate of 20% of the post-Issue Equity Share Capital of our Company shall be locked in by our Promoters for a period of three (3) years from the date of Allotment (“minimum Promoter’ contribution”).

The Promoters’ contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoters under the SEBI ICDR Regulations. Our Company has obtained written consents from our Promoters for the lock-in of 10,01,520 Equity Shares for a period of three years from the date of Allotment in the Issue.

The balance pre-Issue Equity Share capital of our Company, *i.e.* 13,43,380 Equity Shares shall be locked in for a period of one year from the date of Allotment in the Issue. Equity Shares offered by the Promoters for the minimum Promoters’ contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Issue.

We confirm that the minimum Promoters' contribution of 20% which is subject to lock-in for three years does not consist of:

- a) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
- b) Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- c) Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue; or equity shares pledged with any creditor.

Further, our Company has not been formed by the conversion of a partnership firm into a company and no Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.

The share certificates for the Equity Shares in physical form, which are subject to lock-in, shall carry the inscription 'non-transferable' and the non-transferability details shall be informed to the depositories.

Equity Shares locked-in for one year

In addition to 20% of the post-Issue shareholding of our Company locked-in for three years as the minimum Promoters' contribution, the balance Pre-Issue Paid-up Equity Share Capital *i.e.* 13,43,380 Equity Shares, would be locked-in for a period of one year from the date of Allotment in the proposed Initial Public Offering. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

Other requirements in respect of 'lock-in'

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoter' prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 36 of the SEBI ICDR Regulations, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of sub-regulation (a) of Regulation 36 of the SEBI ICDR Regulations, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and the pledge of specified securities is one of the terms of sanction of the loan;
- If the specified securities are locked-in in terms of sub-regulation (b) of Regulation 36 of the SEBI ICDR Regulations and the pledge of specified securities is one of the terms of sanction of the loan

5. Shareholding Pattern

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this prospectus:

I) Summary of the Shareholding Pattern

Category Code	Category of Shareholders	No. of Shareholders	Total No. of Fully Paid-up Equity Shares held	Total No. of Partly Paid-up Equity Shares held	No. of Shares underlying Depository Receipts	Total No. of Equity Shares held	Shareholding as a % of total no. of Shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding Convertible Securities (including Warrants)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	No. of Locked in shares		Shares Pledged or otherwise encumbered		No. of equity shares held in dematerialized form
								No. of Voting Rights						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class (e.g.: X)	Class (e.g.: Y)	Total	Total as a % of (A+B+C)							
I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX				X	XI=VII+X	XII	XIII	XIV		
A	Promoter & Promoter Group	6	2344870	-	-	2344870	99.999						99.999	-	-	2344870		
B	Public	1	30	-	-	30	0.001						0.001	-	-	30		
C	Non Promoter-Non Public	0	-	-	-	-	-						-	-	-			
1	Shares underlying DRs	0	-	-	-	-	-						-	-	-			
2	Shares held by Employee Trusts	0	-	-	-	-	-						-	-	-			
	Total	7	2344900	-	-	2344900	100.00					-	100.00	-	-	2344900		

II) Shareholding Pattern of Promoter and Promoter Group

Category Code	Category of Shareholders	PAN Card No.	No. of Shareholders	Total No. of Fully Paid-up Equity Shares held	Total No. of Partly Paid-up Equity Shares held	No. of Shares underlying Depository Receipts	Total No. of Equity Shares held	Shareholding as a % of total no. of Shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding Convertible Securities (including Warrants)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	No. of Locked in shares		Shares Pledged or otherwise encumbered		No. of equity shares held in dematerialized form
									No. of Voting Rights						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class (e.g.: X)	Class (e.g.: Y)	Total	Total as a % of (A+B+C)							
I	II		III	IV	V	VI	VII=I+V+VI	VIII	IX				X	XI=VII+X	XII	XIII	XIV		
(1)	Indian																		
(a)	Individuals																		
	Mr. Alok B. Jain		1	502,420	-	-	502,420	21.43%					-	21.43%	-	-	502,420		
	Mrs. Kapila A. Jain		1	639,200	-	-	639,200	27.26%					-	27.26%	-	-	639,200		
	Ms. Akanksha A. Jain		1	115,000	-	-	115,000	4.90%					-	4.90%	-	-	115,000		
	Ms. Akshita A. Jain		1	96,000	-	-	96,000	4.09%					-	4.09%	-	-	96,000		

Category Code	Category of Shareholders	PAN Card No.	No. of Shareholders	Total No. of Fully Paid-up Equity Shares held	Total No. of Partly Paid-up Equity Shares held	No. of Shares underlying Depository Receipts	Total No. of Equity Shares held	Shareholding as a % of total no. of Shares(calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding Convertible Securities (including Warrants)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	No. of Locked in shares		Shares Pledged or otherwise encumbered		No. of equity shares held in dematerialized form
									No. of Voting Rights						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class (e.g.: X)	Class (e.g.: Y)	Total	Total as a % of (A+B+C)							
I	II	III	IV	V	VI	VII=I V+V+ VI	VIII	IX				X	XI=VII+ X	XII		XIII		XIV	
	Master Samyak A. Jain		1	932,250	-	-	932,250	39.76%				-	39.76%	-	-	-	-	932,250	
	Mr. Alok B. Singh (HUF)		1	60,000	-	-	60,000	2.56%				-	2.56%	-	-	-	-	60,000	
(b)	Central Government/ State Government(s)	-	0	-	-	-	-	-				-	-	-	-	-	-	-	
(d)	Financial Institutions/ Banks	-	0	-	-	-	-	-				-	-	-	-	-	-	-	
(e)	Any Others (Specify)	-	0	-	-	-	-	-				-	-	-	-	-	-	-	
	Sub Total(A) (1)		6	2,344,870	-	-	2,344,870	99.999				-	99.999	-	-	-	-	2,344,870	
(2)	Foreign																		
(b)	Government	-	0	-	-	-	-	-				-	-	-	-	-	-	-	
(c)	Institutions	-	0	-	-	-	-	-				-	-	-	-	-	-	-	
(d)	Foreign Portfolio Investor	-	0	-	-	-	-	-				-	-	-	-	-	-	-	
(e)	Any Others(Specify)	-	0	-	-	-	-	-				-	-	-	-	-	-	-	
	Sub Total(A)(2)		0	-	-	-	-	-				-	-	-	-	-	-	-	
	Total Shareholding of Promoter & Promoter Group (A)= (A)(1)+(A)(2)		6	2,344,870	-	-	2,344,870	99.999				-	99.999	-	-	-	-	2,344,870	

III) Shareholding Pattern of Public Shareholders

Category Code	Category of Shareholders	PAN Card No.	No. of Shareholders	Total No. of Fully Paid-up Equity Shares held	Partly Paid-up Equity Shares	underlying Depository	Total No. of Equity Shares held	as a % of total no. of Shares(calculated as per SCRR, 1957) As a % of	No. of Voting Rights held in each class of securities		Outstanding Convertible Securities assuming full convertible securities (as a percentage of diluted share capital) As a % of	No. of Locked in shares		Shares Pledged or otherwise encumbered		No. of equity shares held in dematerialized form
									No. of Voting Rights			No. (a)	total Shares	No. (a)	total Shares	

									Class (e.g.: X)	Class (e.g.: Y)	Total	Total as a % of (A+B+C)						
I	II		III	IV	V	VI	VII=IV+V+VI	VIII	IX			X	XI=VII+X	XII	XIII	XIV		
1	Institutions																	
(a)	Mutual Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternative Investment Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Insurance Companies	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Foreign Venture Capital Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Foreign Institutions/Banks	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/Pension Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Central Government/ State Government(s)/President of India	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Non-institutions																	
(a)	Individuals																	
(i)	Individual shareholders holding nominal share capital up to Rs. 2 Lakhs	-	1	30	-	-	30	0.001	-	-	-	0.001	-	-	-	-	-	30
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs.	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered with RBI	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employees Trust	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories(DRs) (balancing figures)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(3)	-	1	30	-	-	30	0.001	-	-	-	0.001	-	-	-	-	-	30
	Total Public Shareholding (B) = (B)(1)+ (B)(2)+ (B)(3)	-	1	30	-	-	30	0.001	-	-	-	0.001	-	-	-	-	-	30

IV) Shareholding Pattern of Non-Promoter-Non Public Shareholders: NIL

6. The shareholding pattern of our Company before and after the Issue is set forth below:

Sr. No.	Particulars	Pre Issue		Post Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
a)	Promoters	1,141,620	48.69%	1,141,620	23.09%
b)	Promoter Group	1,203,250	51.31%	1,203,250	24.33%
c)	Public	30	0.00%	2,600,030	52.58%
	Total	2,344,900	100.00%	4,944,900	100.00%

7. The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below:

Sr. No.	Particulars	Pre Issue		Post Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
a)	Promoters	1,141,620	48.69%	1,141,620	23.09%
	Mr. Alok B. Jain	502,420	21.43%	502,420	10.16%
	Mrs. Kapila A. Jain	639,200	27.26%	639,200	12.93%
b)	Immediate Relatives of the Promoters	1,143,250	48.75%	1,143,250	23.12%
	Ms. Akanksha A. Jain	115,000	4.90%	115,000	2.33%
	Ms. Akshita A. Jain	96,000	4.09%	96,000	1.94%
	Master Samyak A. Jain	932,250	39.76%	932,250	18.85%
c)	Companies in which 10% or more of the share capital is held by the promoter / an immediate relative of the promoter / a firm or HUF in which the promoter or any one of their immediate relatives is a member	60,000	2.56%	60,000	1.21%
	Mr. Alok B. Singh (HUF)	60,000	2.56%	60,000	1.21%
d)	Companies in which Company mentioned in c. above holds 10% or more of the share capital	--	--	--	--
e)	HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 10% of the total	--	--	--	--
f)	All persons whose shareholding is aggregated for the purpose of disclosing in the prospectus as “Shareholding of the promoter group”	--	--	--	--
	Total	2,344,870	99.999%	2,344,870	47.42%

8. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
9. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
10. Our Company has not issued any Equity Shares during a period of one year preceding the date of the Prospectus at a price lower than the Issue price.
11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, our Company presently does

not have any intention or proposal to alter our capital structure for a period of six months 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 (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

12. During the past six months immediately preceding the date of filing Prospectus, there are no transactions in our Equity Shares, which have been purchased/(sold) by our Promoter, his relatives and associates, persons in Promoter Group [as defined under sub clause (zb) sub regulation (1) Regulation 2 of SEBI (ICDR) Regulations] or the directors of the company which is a promoter of the Company and/or the Directors of the Company.
13. The members of the Promoter Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months preceding the date of filing of the Prospectus.
14. Our Company, our Promoter, our Directors and the Lead Manager to this Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company through the Prospectus.
15. There are no safety net arrangements for this public issue.
16. An oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the minimum allotment lot and multiple of one share thereafter, while finalizing the Basis of Allotment. 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 for 3 years.
17. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the BSE.
18. As on the date of filing of the Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
19. All the Equity Shares of our Company are fully paid up as on the date of the Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
20. As per RBI regulations, OCBs are not allowed to participate in this Issue.
21. **Particulars of top ten shareholders:**

(a) *Particulars of the top ten shareholders as on the date of the Prospectus:*

Sr. No.	Name of shareholder	No. of Shares	% of then Issued Capital
1.	Master Samyak A. Jain	932,250	39.76%
2.	Mrs. Kapila A. Jain	639,200	27.26%
3.	Mr. Alok B. Jain	502,420	21.43%
4.	Ms. Akanksha A. Jain	1,15,000	4.90%
5.	Ms. Akshita A. Jain	96,000	4.09%
6.	Mr. Alok B. Singh (HUF)	60,000	2.56%
7.	Prahlad Singh K. Rathod	30	Negligible
	Total	2344900	100.00%

(b) Particulars of top ten shareholders ten days prior to the date of the Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of then Issued Capital
1.	Master Samyak A. Jain	932,250	39.76%
2.	Mrs. Kapila A. Jain	639,200	27.26%
3.	Mr. Alok B. Jain	502,420	21.43%
4.	Ms. Akanksha A. Jain	1,15,000	4.90%
5.	Ms. Akshita A. Jain	96,000	4.09%
6.	Mr. Alok B. Singh (HUF)	60,000	2.56%
7.	Prahlad Singh K. Rathod	30	Negligible
	Total	2344900	100.00%

(c) Particulars of the shareholders two years prior to the date of the Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of the Issued Capital
1	Mrs. Kapila A. Jain	579,200	57.93%
2	Mr. Alok B. Jain	202,450	20.25%
3	Ms. Akshita Alok Jain	106,000	10.60%
4	Ms. Akansha A. Jain	90,000	9.00%
5	Ms. Samyak A. Jain	12,250	1.23%
6	Alok B Jain HUF	10,000	1.00%
	Total	9,99,900	100.00%

22. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
23. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
24. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
25. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
26. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
27. We have 7 shareholders as on the date of filing of the Prospectus.
28. Our Promoters and the members of our Promoter Group will not participate in this Issue.
29. Our Company has not made any public issue since its incorporation.
30. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Prospectus.
31. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

32. For the details of transactions by our Company with our Promoter Group, Group Companies during the period from January 4, 2012 (date of incorporation) and ended on March 31, 2013, financial year ended March 31, 2014 and 9 months period ended December 31, 2015, please refer to paragraph titled “*Statement of Transactions with Related Parties, as Restated*” in the chapter titled ‘*Financial Information*’ beginning on page 111 of the Prospectus.

33. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “*Our Management*” beginning on page 90 of the Prospectus.

OBJECTS OF THE ISSUE

The present issue is being made to raise the funds for the following purposes:

1. Augmenting additional working capital requirements
2. Meeting Public 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 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 object clause of our Memorandum of Association.

Cost of Project and Means of Finance

The Cost of Project and Means of Finance as estimated by our management are given below:

Cost of Project

		(₹ in lacs)
Sr. No.	Particulars	Amount
A.	Augmenting additional working capital requirements	235.00
C.	Public Issue Expenses	25.00
Total		260.00

Means of Finance

		(₹ in lacs)
Sr. No.	Particulars	Amount
A.	Proceeds from Initial Public Offer	260.00
Total		260.00

We propose to meet the requirement of funds for the stated objects of the Issue from the Net Proceeds. Hence, no amount is required to be raised through means other than the Issue Proceeds. Accordingly, the requirements under Regulation 4 (2) (g) of the SEBI ICDR Regulations and Clause VII C of Part A of Schedule VIII of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals) are not applicable.

Our fund requirements and deployment thereof are based on the estimates of our management and have not been appraised by any bank or financial institution or independent third party entity. These are based on current circumstances of our business and are subject to change in light of changes in external circumstances or costs, or in our financial condition, business or strategy, as discussed further below and also detailed under the section 'Our Business' beginning on page 81 of the Prospectus. Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

Variation in fund requirements and Surplus / Shortfall of Net Proceeds

We intend to utilise the Issue Proceeds in the manner provided above, in the event of a surplus, we will use such surplus towards general corporate purposes including meeting future growth requirements. In case of any variations in the actual utilization of funds earmarked for the above activities, increased fund deployment for a particular activity may be financed by surplus funds, if any, available in any other object for which funds are being raised in the Issue, subject to applicable law. In the event of any shortfall in the Issue Proceeds, our Company will bridge the fund requirements from internal accruals, debt or equity financing. In the event that estimated utilization out of the Net Proceeds in a Fiscal is not completely met, the same shall be utilized in the next Fiscal. No part of the issue proceeds will be paid as consideration to Promoters, Promoter Group, Group Entities, directors, Key Managerial Personnel and associates.

DETAILED BREAK UP OF THE PROJECT COST

(A) Augmenting additional working capital requirements

Textile is a working capital intensive industry. The increasing operations of our Company will inturn lead to the increase in the requirement of working capital. Our Company proposes to meet the incremental margin money requirement to the extent of ₹ 235.00 Lacs from the Proceeds of the Issue.

The working capital will be primarily used for maintaining the inventory for our trading. We are currently engaged in the business of trading of fabrics for Suiting & Shirtings, Sarees, Dress Materials, Quilting Fabric. The aforementioned amount will be used for acquisition of above products and also the additional new products for our trading business.

We will need additional working capital for the growth of our business. We have estimated our additional working capital requirements for fiscal 2017 which will be funded through the proposed public issue. The details of working capital margin requirements are as under:

(₹ lacs)

Particulars	31-Dec-15 Actuals	No. of Days	31-Mar-17 Projected	No. of Days
Current Assets				
Trade Receivables	454.23	101	667.67	100
Inventory	18.68	6	323.64	60
Other Current Assets	98.35		95.00	
Total	571.26		1,086.31	
Current Liabilities				
Trade Payables	234.52	71	382.73	72
Other Current Liabilities	0.00		0.00	
Short Term Provisions	35.11		70.00	
Total	269.63		452.73	
Working Capital Gap	301.63		633.58	
Less: Existing Bank Borrowings	0.00		0.00	
Net Working Capital Requirement	301.63		633.58	
Proposed Working Capital to be funded from IPO	0.00		235.00	
Funding through Internal Accruals	301.63		398.58	

(A) Public Issue Expenses

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. The estimated Issue expenses are as follows:

Sr. No.	Particulars	Amount (₹ in Lacs)
1.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Advisors, Registrars, Bankers etc and other out of pocket expenses. Also included commission/processing fees for SCSB's brokerage and selling commission for Registered broker, RTA's and CDP's	17.00
2.	Printing & Stationery, Postage Expenses and Marketing & Advertisement Expenses	5.00
3.	Regulatory fees and other expenses	3.00
	Total	25.00

Schedule of implementation

The entire Working capital will be utilised during FY 2016-17.

Deployment of Funds in the Project

Our Company has incurred the following expenditure on the project till March 31, 2016. The same has been certified by our statutory auditors **Jain Anil & Associates**, Chartered Accountants *vide* their certificate dated April 6, 2016.

(₹ in Lacs)

Sr. No.	Particulars	Amount
1	Public Issue Expenses	5.99
	Total	5.99

The above funds were deployed from the Company's internal accruals.

Details of balance fund deployment

(₹ in Lacs)

Sr. No.	Particulars	Expenses Already Incurred	FY 2016-17	Total
1	Augmenting additional working capital requirements	0.00	235.00	235.00
2	Public Issue Expenses	5.99	19.01	25.00
	Total	5.99	254.01	260.00

Appraisal Report

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institutions/banks.

Bridge Financing Facilities

We have currently not raised any bridge loans against the Net Proceeds.

Interim Use of Funds

Net issue proceeds pending utilization (for the stated objects) shall be deposited only in the scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934.

Monitoring of Issue proceeds

As the size of the Issue will not exceed ₹ 50,000 Lacs, the appointment of Monitoring Agency would not be required as per Regulation 16 of the SEBI ICDR Regulations. Our Board will monitor the utilization of the proceeds of the Issue. Our Company will disclose the details of the utilization of the Issue proceeds, including interim use, under a separate head in our financial statement specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements of our SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015 with the Stock Exchange. The statement shall be certified by our Statutory Auditors.

Further, we will furnish to the Stock Exchange on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Prospectus. Further, this information shall be furnished to the Stock Exchange along with the interim or annual financial results submitted under SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015 and shall be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee. No part of the proceeds of this issue will be paid as consideration to our Promoter, Directors, Key Managerial Personnel or group concerns/companies promoted by our Promoters.

BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Lead Manager. The financial data presented in this section are based on our Company's restated financial statements. Investors should also refer to the sections titled 'Risk Factors' and 'Financial Information' on pages 12 and 111, respectively, of the Prospectus to get a more informed view before making the investment decision.

Qualitative Factors

For details of Qualitative factors please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Our Business" beginning on page 81 of the Prospectus.

Quantitative Factors (Based on Standalone Financial Statements)

1. Basic & Diluted Earnings Per Share (EPS):

Period	Basic and Diluted EPS (₹)	Weightage
FY 2015	0.06	3
FY 2014	0.10	2
FY 2013	0.00	1
Weighted Average	0.06	

2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 10:

- a. Based on the basic and diluted EPS of ₹ 2.76 as per restated financial statements for the year ended December 31, 2015, the P/E ratio is 3.62
- b. Based on the basic and diluted EPS of ₹ 0.06 as per restated financial statements for the year ended March 31, 2015, the P/E ratio is 172.49
- c. Based on the weighted average EPS of ₹ 0.06, as per restated financial statements the P/E ratio is 172.49
- d. Industry P/E

Industry P/E	
▪ Highest - 3M India	65.7
▪ Lowest - Florance Invest	4.0
▪ Average (Trading)	21.1

Source: Capital Market, March 28- April 10, 2016

3. Return on Net Worth

Period	Return on Net Worth (%)	Weights
Year ended March 31, 2015	0.28	3
Year ended March 31, 2014	0.84	2
Period ended March 31, 2013	0.02	1
Weighted Average	0.42	

4. Minimum Return on increased Net Worth required to maintain pre-Issue EPS.

The minimum return on increased net worth required maintaining pre-Issue EPS:

A) Based on weighted average EPS of ₹ 0.06

At the Issue Price of ₹ 10: 0.53% based on restated financial statements.

B) Based on Basic and Diluted EPS for the period ended December 31, 2015 of ₹ 2.76

At the Issue Price of ₹ 10: 24.27% based on restated financial statements.

B) Based on Basic and Diluted EPS for the year ended March 31, 2015 of ₹ 0.06

At the Issue Price of ₹ 10: 0.53% based on restated financial statements.

5. Net Asset Value per Equity Share

- As of March 31, 2015 ₹ 10.23
- As of December 31, 2015 ₹ 12.90
- NAV per Equity Share after the Issue is ₹ 11.37
- Issue Price per Equity Share is ₹ 10.00

6. Comparison of Accounting Ratios

Name of the Company	Face Value (₹)	EPS TTM (₹)#	P/E Ratio	RONW (%)	NAV (₹)
Carvatex Limited	10	8.0	34.0	5.6	161.6
Lahoti Overseas Limited	2	2.1	4.7	6.2	31.7
Visagar Polytex Limited	1	0.2	--	9.1	1.4
Anisha Impex Limited*	10	0.07		0.71%	10.23
Ghushine Fintrade Ocean Limited*	10	0.06	172.49	0.28%	10.23

Source: Capital Market, March 28– April 10, 2016

*Based on March 31, 2015 restated financial statements.

Standalone

The face value of Equity Shares of our Company is ₹ 10 per Equity Share and the Issue price of ₹ 10 is 1 time the face value.

The Issue Price of ₹ 10 is determined by our Company, in consultation with the Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled 'Risk Factors', and chapters titled 'Our Business' and 'Financial Information' beginning on page 12, 81 and 111, respectively of the Prospectus.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Ghushine Fintrade Ocean Limited
203, Trividh Chambers,
Rushabh Petrol Pump Lane,
Ring Road, Surat - 395002,
Gujarat

Dear Sirs,

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

We hereby confirm that the enclosed annexure, prepared by Ghushine Fintrade Ocean 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 provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfill.

The amendments in Finance Act 2015 have been incorporated to the extent relevant in the enclosed annexure. The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We 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, where applicable have been or would be met.

Thanking you,
Yours faithfully,
For **Jain Anil & Associates,**
Chartered Accountants
FRN: 115987W

Anil Jain
Proprietor
Membership No:
Date: November 2, 2015

ANNEXURE

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO GHUSHINE FINTRRADE OCEAN LIMITED AND ITS SHAREHOLDERS

A) SPECIAL TAX BENEFITS AVAILABLE TO OUR COMPANY AND ITS SHAREHOLDERS

I. Special Benefits available to our Company

There are no special tax benefits available to our Company.

II. Special Benefits available to the Shareholders of our Company

There are no special tax benefits available to the Equity Shareholders.

B) OTHER GENERAL TAX BENEFITS TO THE COMPANY AND ITS SHAREHOLDERS

The following tax benefits shall be available to the Company and its Shareholders under Direct tax law **Under the Income-Tax Act, 1961 (,the Act')**:

A. Benefits available to the Company

(a) Business income

■ The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act.

■ As per provisions of Section 72 of the Act, business losses, if any, for an assessment year can be carried forward and set off against business profits for 8 subsequent assessment years. However, only such losses which have been determined in pursuance of return filed in accordance with Section 139(1) of the Act shall be carried forward and set off under Section 72 of the Act.

□□As per provisions of Section 79 of the Act, the carry forward and set off of business losses of a listed company would not be impacted on a change in shareholding pattern of the Company.

■ Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

(b) MAT credit

■ As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax ('MAT') paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.

■ MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to 10 years succeeding the assessment year in which the MAT credit arises.

(c) Capital gains

(i) Computation of capital gains

■ Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a company or any other

security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under Section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as long – term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.

■ Short Term Capital Gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for 12 months or less.

■ In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less.

■ Finance Act, 2014 has amended Section 2(42A) of the Act whereby capital assets, being security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of equity oriented fund or a zero coupon bond, held by an assessee for not more than twelve months are considered to be short – term capital asset. In respect of any other capital assets, the holding period should not exceed thirty – six months to be considered as short- term capital assets. This amendment is applicable on and after July 10, 2014.

■ Therefore, capital asset being unlisted share or unit of mutual fund (other than an equity oriented mutual fund) shall be short-term capital asset if it is held for not more than thirty-six months.

■ LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of business trust as defined in Section 2(13A), is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.

■ Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.

■ As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

■ As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. However, Finance Act, 2014 has amended the provisions of Section 112 allowing the concessional rate of tax of ten per cent on long term capital gain to listed securities (other than unit) and zero coupon bonds. This amendment is applicable on and after July10, 2014.

■ As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

■ STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined) which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of a business trust, where such transaction is not chargeable to STT is taxable at the rate of 30%.

■ The tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income of a domestic company exceeds Rs 10,000,000 but not Rs. 100,000,000. The surcharge shall be payable at the rate of 10% where the taxable income of a domestic company exceeds Rs 100,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers. The Finance Act 2015 has amended the tax rates mentioned above so as to be increased by surcharge, payable at the rate of 7% where the taxable income of a domestic company exceeds Rs 10,000,000 but not Rs. 100,000,000. The surcharge shall be payable at the rate of 12% where the taxable income of a domestic company exceeds Rs 100,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers. However, the proposed amendment shall be applicable during financial year 2015-16.

■ As per Section 50 of the Act, where a capital asset is forming part of a block of assets in respect of which depreciation has been allowed under the Act, capital gains shall be computed in the following manner:

- where full value of consideration on account of transfer of any asset forming part of block of asset, as reduced by expenditure incurred wholly or exclusively in connection with transfer, exceeds the written down value of block of assets and actual cost of assets acquired during the year, such excess shall be deemed to be short term capital gains and taxed accordingly.

- where any block of assets ceases to exist, for the reason that all the assets in that block are transferred, the difference between the consideration arising on result of transfer and the written down value of block of assets and the actual cost of assets acquired during the year, shall be deemed to be short term capital gains/ (losses) and taxed accordingly.

■ As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

■ As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains from income – tax

■ Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by –:

- National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and

- Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.

■ Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 5,000,000 per assessee during any financial year and subsequent financial year.

■ Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted shall be taxable as capital gains in the year of transfer / conversion.

■ The characterization of the gain / losses, arising from sale / transfer of shares / units as business income or capital gains would depend on the nature of holding and various other factors.

(d) Securities Transaction Tax ('STT')

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

(e) Dividends

■ As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax.

The domestic company distributing dividends will be liable to pay dividend distribution tax at the rate of 15% on net basis on the amount of dividend payable till September 30, 2014 (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon). The Finance Act 2015 has increased rate of surcharge to 12%.

■ Further w.e.f October 1, 2014, Finance Act 2014, has amended Section 115-O in order to provide that for the purpose of determining the tax on distributed profits payable in accordance with the Section 115-O, any amount which is declared, distributed or paid by any domestic Company out of current or accumulated profit on or after 1 April 2003 is to be reduced by any amount of dividend as received by the company from its subsidiary or from foreign companies during the financial year, shall be increased to such amount as would, after reduction of the tax on such increased amount at the rate of 15%, be equal to the net distributed profits.

■ Therefore, the amount of distributable income and the dividends which are actually received by the unit holder of mutual fund or shareholders of the domestic company need to be grossed up for the purpose of computing the additional tax.

■ Further, if the company being a holding company, has received any dividend from its subsidiary on which dividend distribution tax has been paid by such subsidiary, then company will not be required to pay dividend distribution tax to the extent the same has been paid by such subsidiary company.

As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.

■ However, in view of the provisions of Section 14A of the Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.

■ Also, section 94(7) of the Act provides that losses arising from the sale/transfer of shares or units purchased within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

■ As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at

the concessional rate of 15% on gross basis (excluding surcharge and education cess) upto March 31, 2014. As per Finance Act, 2014, the benefit of lower rate of 15% is extended without limiting it to a particular assessment year.

■ For removing the cascading effect of dividend distribution tax, while computing the amount of dividend distribution tax payable by a Domestic Company, the dividend received from a foreign subsidiary on which income-tax has been paid by the Domestic Company under Section 115BBD of the Act shall be reduced.

(f) Buy-back of shares

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

(g) As per the provisions of Section 35DD of the Act, for any expenditure incurred wholly and exclusively for the purposes of amalgamation or demerger, the Company is eligible for deduction of an amount equal to one-fifth of such expenditure for each of the five successive years beginning with the year in which amalgamation or demerger takes place.

(h) As per the provisions of Section 35(1)(ii) of the Act, the Company will be entitled to claim contribution made to approved institution engaged in carrying eligible project or research as deduction from the business income.

(i) Other Provisions

■ As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of a specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.

■ A deduction amounting to 100% of any sum contributed (otherwise by way of cash) to any political party or an electoral trust is allowable under section 80GGB of the Act while computing total income.

As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

B. Benefits to the Resident members / shareholders of the Company under the Act

General tax benefits

(a) Dividends exempt under Section 10(34) of the Act

■ As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from a Domestic Company is exempt from tax.

■ Also, section 94(7) of the Act provides that losses arising from the sale/transfer of shares or units purchased within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

(b) Capital gains

(i) Computation of capital gains

■ Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under Section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.

■ STCG means capital gains arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for 12 months or less.

■ In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.

■ Finance Act, 2014 has amended Section 2(42A) of the Act whereby capital assets, being security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of equity oriented fund or a zero coupon bond, held by an assessee for not more than twelve months are considered to be short – term capital asset. In respect of any other capital assets, the holding period should not exceed thirty – six months to be considered as short- term capital assets. This amendment is applicable on and after July 10, 2014.

■ Therefore, capital asset being unlisted share or unit of mutual fund (other than an equity oriented mutual fund) shall be short-term capital asset if it is held for not more than thirty-six months.

■ LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of business trust is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.

■ The Finance Act 2012 has amended the chapter of Securities Transaction Tax [Chapter VII of Finance Act (No 2) of 2004]. As per the amendment, sale of unlisted equity shares under an offer for sale to the public which are included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange, the same would be covered within the ambit of taxable securities transaction under the said Chapter. Accordingly, STT is leviable on sale of shares under an offer for sale to the public in an initial public offer and the LTCG arising on transfer of such shares would be exempt from tax as per provisions of Section 10(38) of the Act.

■ As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

■ As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.

■ As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or unit of a business trust, are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

■ STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30% in case of domestic company and at normal slab rates in case of other assessees.

■ The Finance Act 2013 has inserted clause 34A in Section 10 which provided that any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

■ In the case of domestic companies, the tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income of a domestic company exceeds Rs 10,000,000. As per Finance Act 2013 surcharge shall be payable at the rate of 10% where the taxable income of a domestic company exceeds Rs 100,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers. As per Finance Act 2015, surcharge shall be payable at the rate of 7% where the taxable income of a domestic company is within Rs. 10,000,000 to Rs. 100,000,000; and at the rate of 12% where the taxable income of a domestic company exceeds Rs 100,000,000. However the proposed amendment shall be applicable during Financial year 2015-16.

■ As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

■ As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

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

■ As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein:

■ Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 5,000,000 per assessee during any financial year and subsequent financial years.

■ Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.

■ In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').

■ As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

■ As per provisions of Section 56(2)(vii) of the Act and subject to exception provided in second proviso therein, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from

other sources'. However, the said section is not applicable in case the shares and securities are received under instances specified under the proviso thereon.

(c) Other Provisions

- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

C. Benefits to the Non-resident shareholders of the Company under the Act (other than Mutual Funds, FIIs and Foreign Venture Capital Investors)

(a) Dividends exempt under Section 10(34) of the Act

- As per provisions of Section 10(34), dividend (both interim and final), if any, received by non-resident shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 5% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend. The Finance Act 2015 has increased the rate of surcharge to 12%. However, the same shall be applicable during Financial year 2015-16.
- Also, section 94(7) of the Act provides that losses arising from the sale/transfer of shares or units purchased within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

(b) Capital gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under Section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- STCG means capital gain arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for 12 months or less.
- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.
- Finance Act, 2014 has amended Section 2(42A) of the Act whereby capital assets, being security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of equity oriented fund or a zero coupon bond, held by an assessee for not more than twelve months are considered to be short - term capital asset. In respect of any other capital assets, the holding period should not exceed thirty - six months to be considered as short- term capital assets. This amendment is applicable on and after 10th July, 2014.

- Therefore, capital asset being unlisted share or unit of mutual fund (other than an equity oriented mutual fund) shall be short-term capital asset if it is held for not more than thirty-six months.
- LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of business trust is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- The Finance Act 2012 has amended the chapter of Securities Transaction Tax [Chapter VII of Finance Act (No 2) of 2004]. As per the amendment, sale of unlisted equity shares under an offer for sale to the public which are included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange, the same would be covered within the ambit of taxable securities transaction under the said Chapter. Accordingly, STT is leviable on sale of shares under an offer for sale to the public in an initial public offer and the LTCG arising on transfer of such shares would be exempt from tax as per provisions of Section 10(38) of the Act.
- As per provisions of Section 112 of the Act, LTCG arising on transfer of listed securities not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. The indexation benefits are however not available in case the shares are acquired in foreign currency. In such a case, the capital gains shall be computed in the manner prescribed under the first proviso to Section 48. As per first proviso to Section 48 of the Act, where the shares have been purchased in foreign currency by a non-resident, the capital gains arising on its transfer need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration received or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. If the tax payable on transfer of listed securities exceeds 10% of the LTCG, the excess tax shall be ignored for the purpose of computing tax payable by the assessee.
- Further, LTCG arising from transfer of unlisted securities (other than by way of offer for sale under an initial public offer) is chargeable to tax at 10% without indexation and foreign exchange fluctuation benefits.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) or a unit of business trust, are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- As per Finance Act, 2015, income from transfer of securities arising to the foreign company shall be excluded from the chargeability of MAT if tax payable on such income is less than 18.5%. The same is applicable with effect from 1st April 2016.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the normal rates of taxation as applicable to the taxpayer.
- As per Section 10(34A), any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.
- The tax rates mentioned above stands increased by surcharge, payable at the rate of 2% where the taxable income of a foreign company exceeds Rs 10,000,000. As per the Finance Act 2013 the levy of surcharge as follows:

- In case of a foreign company whose total taxable income exceeds Rs 100,000,000 the rate of surcharge shall increase from 2% to 5%
- In case of other non-residents, whose total taxable income exceeds Rs 10,000,000 surcharge shall be payable at the rate of 10% of income tax payable. The Finance Act 2015 has increased the rate of surcharge to 12%. It may be noted that the proposed amendment shall be applicable during Financial year 2015-16.
- Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.
- As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

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

- As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein:
 - Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 5,000,000 per assessee during any financial year and the subsequent financial year.
 - Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a non-resident shareholder being an individual or HUF.
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a one new residential house in India, or for construction of one residential house in India within three years from the date of transfer and subject to conditions and to the extent specified therein.
- As per provisions of Section 56(2)(vii) of the Act and subject to exception provided in second proviso therein, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from

other sources'. However, the said section is not applicable in case the shares and securities are received under instances specified under the proviso thereon.

(c) Tax Treaty benefits

■ As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate. Additionally the non-resident tax payer is required to provide such other documents and information in the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

(d) Taxation of Non-resident Indians

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

■ NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.

■ Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.

■ As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets as duly mentioned in Section 115C(f) of the Act is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively). Further as per the Finance Act 2013 a surcharge of 10% is applicable in case income of the NRI exceeds Rs 10,000,000. As per the Finance Act 2015, the surcharge rate shall be increased to 12% where income of the NRI exceeds Rs 10,000,000. It may be noted that the proposed amendment shall be applicable during Financial year 2015-16.

■ As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets under Section 115C(f)) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Further as per the Finance Act 2013, a surcharge of 10% is applicable in case income of the NRI exceeds Rs 10,000,000. As per the Finance Act 2015, the surcharge rate shall be increased to 12% where income of the NRI exceeds Rs 10,000,000. It may be noted that the proposed amendment shall be applicable during Financial year 2015-16.

■ As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section. If only part of the net consideration is so reinvested, the exemption will be proportionately reduced. However the amount so exempted will be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

■ As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.

■ As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

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

■ As per the Section 10(34A), any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders with effect from 1 April 2014.

D. Benefits available to Foreign Institutional Investors ('FIIs') under the Act

(a) Dividends exempt under Section 10(34) of the Act

■ As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax.

■ However, in view of the provisions of Section 14A of the Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.

■ Also, section 94(7) of the Act provides that losses arising from the sale/transfer of shares or units purchased within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

(b) Long – term capital gains exempt under Section 10(38) of the Act

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

(c) Capital gains

■ As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Finance Act, 2014 has inserted a provision that the amount of income tax calculated on the income by way of interest referred in Section 194LD shall be at the rate of five percent. The said provision was made applicable in case of interest payable at any time on or after 1 June 2013 but before 1 June 2015 to FIIs and QFIs on their investments in Government securities and rupee denominated corporate bonds provided that the rate of interest does not exceed the rate notified by the Central Government in this regard. Finance Act, 2015 has amended Section 194LD to provide that the concessional rate of 5% withholding tax on interest payment under the section will now be available on interest payable up before 1st July 2017.

- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

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

- For corporate FIIs, the tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income exceeds Rs 10,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs. The Finance Act 2015 has amended the rate of surcharge to 12%. It may be noted that the proposed amendment shall be applicable during Financial year 2015-16.

- Further, vide Finance Act (No.2), 2014 it was provided that any securities held by a Foreign Institutional Investor which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be capital asset. Consequently, the income arising to a Foreign Institutional Investor from transactions in securities would always be in the nature of capital gains. The Finance Act 2015 has further amended the provisions of Section 115JB so as to insert a new clause (iid) in Explanation 1 to provide that the amount of income from transactions in securities, if such income is credited in the Profit and loss account and the income tax payable thereon in accordance with the Provisions of the Act, other than the Provisions in chapter XII-B (Special Provisions relating to certain Companies) is at a rate less than eighteen and a half percentage, shall be reduced from the book profit for the purposes of calculation of income-tax payable under the section. Further by inserting a new clause (fb) in Explanation 1, the book profit shall be increased by the amount or amounts of expenditure relatable to the above income. These amendments will take effect from 1st April, 2016.

- As per Section 196D(2) of the Act, no deduction of tax at source will be made in respect of income by way capital gain arising from the transfer of securities referred to in section 115AD.

- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

- As per the Finance Act, 2013 any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

(d) Securities Transaction Tax

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

(e) Tax Treaty benefits

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate. Additionally the FII is required to provide such other documents and information in the Form 10F as prescribed vide

Notification 57 of 2013 dated August 1, 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

E. Benefits available to Mutual Funds under the Act

(a) Dividend income

Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under Section 10(34) read with Section 115O of the Act.

(b) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

F. Benefits available to Venture Capital Companies / Funds

- As per provisions of section 10(23FA) of the Act, any income by way of dividends (other than dividends referred to in section 115O) or long term capital gains of a venture capital fund or venture capital company from investment in equity shares of a venture capital undertaking (engaged in specified businesses) would be exempt from tax subject to the conditions specified.

G. Wealth Tax Act, 1957

- Wealth tax is chargeable on prescribed assets. As per provisions of Section 2(m) of the Wealth Tax Act, 1957, the Company is entitled to reduce debts owed in relation to the assets which are chargeable to wealth tax while determining the net taxable wealth.

- Shares in a company, held by a shareholder are not treated as an asset within the meaning of Section 2(ea) of the Wealth Tax Act, 1957 and hence, wealth tax is not applicable on shares held in a company.

- The Finance Act 2015 has abolished Wealth Tax Act, 1957 with effect from 1 April 2016.

Notes:

The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;

The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India as amended from time to time. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;

This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue;

In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile; and

The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Disclaimer: Pursuant to the requirements of the SEBI ICDR Regulations, the discussion on the business of Our Company in this Draft Red Herring Prospectus consists of disclosures pertaining to industry grouping and classification. The industry grouping and classification is based on our Company's own understanding and perception and such understanding and perception could be substantially different or at variance from the views and understanding of third parties. Our Company acknowledges that certain product/services described in the Draft Red Herring Prospectus could be trademarks, brand names and/or generic names of products owned by third parties and the reference to such trademarks, brand names and/or generic names in the Draft Red Herring Prospectus is only for the purpose of describing the products. The industry data has been collated from various industry and/or research publications and from information available from the World Wide Web.

The information in this section is derived from various government/Industry Association publications and other sources. Neither we, nor any other person connected with the issue has verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textile industry also plays a pivotal role through its contribution to industrial output, employment generation and export earnings of the country. It contributes about 14% to India's industrial production and 13% to the country's export earnings. The textile sector is one of the largest provider of employment alongwith agriculture.

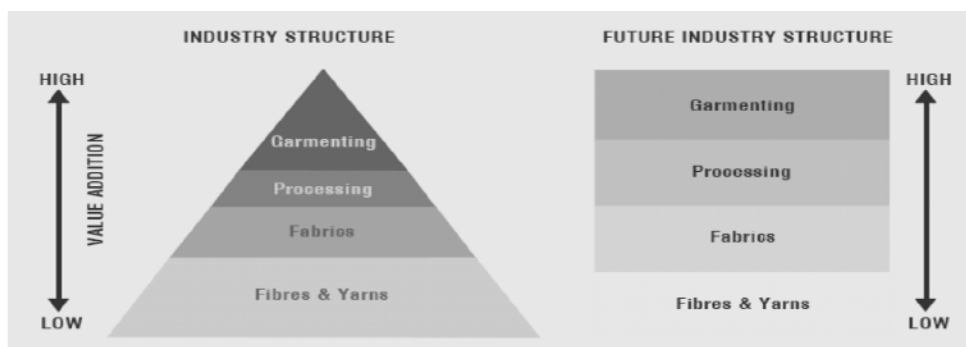
The Indian textiles industry represents a widely diverse spectrum of activities with the hand-spun and handwoven sector at one end, and the capital intensive sophisticated mill sector at the other. The decentralized power looms, hosiery and knitting sectors form the largest section of the Textiles Industry. The close linkage of the Industry to agriculture and the ancient culture, and traditions of the country make the Indian textiles sector unique in comparison to the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country.

(Source: Annual Report 2014 – 2015, Ministry of Textiles, GOI)

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 industry realised export earnings worth US\$ 41.4 billion in 2014-15, a growth of 5.4 per cent, as per The Cotton Textiles Export Promotion Council (Texprocil). The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

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

Current Industry Structure and Future Industry Structure



The current textile industry structure in India is with maximum players in the Fibres and Yarns and very few players in the Garmenting and retailing sector. But now Indian players have realized the need to be a vertically integrated player and more and more companies are moving up the value chain both organically as well as through consolidations.

The major sub-sectors that comprise the textiles sector include the organized Cotton / Man-Made Fibre Textiles Mill Industry, the Man-made Fibre / Filament Yarn Industry, the Wool and Woollen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles Industry, and Textiles Exports.

THE POWERLOOM SECTOR

The powerloom sector is a decentralised and unorganised sector, and forms one of the most important segments of the Textile Industry in terms of fabric production and employment generation. It provides employment to 60.86 lakh persons and contributes 58.26 % of total cloth production in the Country. 60% of the fabric produced in the powerloom sector is of man-made fibre. More than 60% of fabric meant for export is also sourced from powerloom sector. The readymade garments and home textile sectors are heavily dependent on the powerloom sector to meet their fabric requirement.

There are approximately 5.38 lakh powerloom units with 24.34 lakh powerlooms in the country. The technology level of this sector varies from plain loom to high-tech shuttleless looms. There are approximately 1.25 lakh shuttleless looms in this sector. More than 75% of the shuttle looms are obsolete and outdated with a vintage of more than 15 years and have virtually no process or quality control devices / attachments. However, there has been significant up-gradation in the technology level of the powerloom sector during the last 7 to 8 years.

The year-wise growth in the number of looms installed is given in table below:

Year	No. of Powerlooms	Growth percentage
2006-07	19,90,308	-
2007-08	21,06,370	5.80%
2008-09	22,05,352	4.70%

Year	No. of Powerlooms	Growth percentage
2009-10	22,46,474	1.90%
2010-11	22,82,744	1.61%
2011-12	22,98,377	0.68%
2012-13	23,47,249	2.08%
2013-14	23,67,594	0.86%
2014-15 (up to Nov. 2014)	24,34,717	2.74%

The details of total cloth production and production by powerloom sector during the last five years are given in table below:

Year	Total production	Powerloom Production	% age of powerloom cloth production	% age increase over previous year	
				Total Production	Powerloom production
2008-09	54,966	33,648	61.22%	-	-
2009-10	60,333	36,997	61.29%	9.76%	9.95%
2010-11	62,559	38,015	60.77%	3.69%	2.75%
2011-12	60,453	37,445	61.94%	(-) 3.37%	(-) 1.50%
2012-13	62,792	38,038	60.57%	3.87%	1.58%
2013-14	63,500	36,790	57.93%	(-) 4.35%	(-) 12.40%
2014-15 (up to Sep. 14)	33,034(P)	19,247(P)	58.26%	0.56%	0.87%

(Source: Annual Report 2014 – 2015, Ministry of Textiles, GOI)

HANDLOOMS

Handloom weaving is one of the largest economic activity after agriculture providing direct and indirect employment to more than 43 lakh weavers and allied workers. This sector contributes nearby 15% of the cloth production in the country and also contributes to the export earning of the country. 95% of the world's hand woven fabric comes from India.

The handloom sector has a unique place in our economy. It has been sustained by transferring skills from one generation to another. The strength of the sector lies in its uniqueness, flexibility of production, openness to innovations, adaptability to the supplier's requirement and the wealth of its tradition. The adoption of modern techniques and economic liberalization, however have made serious inroads into the handloom sector. Competition from powerloom and mill sector, availability of cheaper imported fabrics, changing consumer preferences and alternative employment opportunities have threatened the vibrancy of handloom sector.

The handloom forms a precious part of the generational legacy and exemplifies the richness and diversity of our country and the artistry of the weavers. Tradition of weaving by hand is a part of the country's cultural ethos. As an economic activity, handloom is the one of the largest employment providers after agriculture. The sector provides employment to 43.31 lakh persons engaged on about 23.77 lakh handlooms – of which, 10% are from scheduled castes, 18% belong to scheduled tribes, 45% belong to other backward classes and 27% are from other castes.

Production in the handloom sector recorded a figure of 7116 million sq. meters in the year 2013-14. During 2014-15, production in the handloom sector is reported to be 3547 million sq. Meters (April – September 2014) and details are given in table below:

(in million sq meters)

Year	Cloth production by handloom sector	Share of handloom in the total cloth production	Ratio of handloom to powerloom (in terms of cloth)	Total cloth production*
2008-09	6677	15.9	1:5.04	42121
2009-10	6806	14.9	1:5.41	45819
2010-11	6949	14.6	1:5.59	47083
2011-12	6900	14.8	1:5.42	46600
2012-13	6952	11.22	1:5.47	61949
2013-14	7116	15.01	1:5.65	47388
2014-15 (upto Sept. 2014)	3547	14.73	1:5.78	24065

* The total cloth production includes handloom, powerloom and mill sector excluding hosiery, khadi, wool and silk.

(Source: Annual Report 2014 – 2015, Ministry of Textiles, GOI)

PROCESSING SECTOR

The textile-processing segment of the Indian textile industry is highly fragmented and can be broadly divided into four segments:

- (v) Hand processing units.
- (vi) Hand processing units with certain exempted power processes.
- (vii) Independent power processing units.
- (viii) Processing facilities attached to composite or semi-composite mills.

Government has identified processing as a critical segment. The National Textile Policy envisages:

- Setting up of modern processing units, which would meet the international quality and environmental norms.
- Expansion of the network of CAD / CAM, computerized color matching and testing facilities, particularly in the clusters of the decentralized textile centers.
- Extending necessary support to individual units in achieving ISO 9000 (quality) and ISO – 14000 (environment) standards
- Giving a thrust to development of eco-friendly dyes, including natural and vegetable dyes and on energy conservation.

EXPORTS

India's textiles and clothing industry is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India's exports worldwide. The report of the Working Group constituted by the Planning Commission on boosting India's manufacturing exports during 12th Five Year Plan (2012-17) envisages India's exports of Textiles and Clothing at US\$ 64.41 billion by the end of March, 2017. The textiles industry accounts for 14% of industrial production, which is 4% of GDP; employs 45 million people and accounts for 13% share of the Country's total exports basket. India is major exporting country as far as textile sector is

concerned and not dependent on import. Majority of import takes place for re-export or special requirement. As per the UN Comtrade, 2013 data released in June 2014 India is ranked as 2nd largest Textile and Clothing exporter in globe with USD 40 bn. While in clothing exports India was ranked 6th largest exporters amongst all exporting countries with worth of USD 15.7 bn. clothing exports. As per UN Comtrade China is largest T&C exporter followed by India, Italy, Germany, Bangladesh and Turkey in 2013 while in clothing export category China, Bangladesh, Italy, Germany, Vietnam and India are the major exporters in their respective position.

The Export and Import of Textiles & Clothing (T&C) during 2014-15 (April-Nov.) was as under:

Export	2013-14		2014-15 (April-Nov. 2014)	
	Creore	US\$ Mn	Creore	US\$ Mn
India Textile & Clothing	214918.45	35425.97	14579.98	24083.15
Handicrafts	23504.42	3884.91	5694.48	939.88
Total T&C including Handicrafts	238422.87	39310.88	151424.46	25023.03
% Textile Exports of overall exports	12.59%	12.58%	13.49%	13.46%
India's overall exports	1894181.95	312610.30	1122499.75.15	185970.07

Provisional Source: DGCI&S

Import	April-Oct, 2014 (as per DoC data)
Total Textile and Clothing import	3045.45 US\$ Mn.

*Source: DGCI&S

Milestones

- Exports of textiles and clothing products from India have increased steadily over the last few years, particularly after 2004 when textiles exports quota stood discontinued.
- India's Textiles & Clothing (T&C) exports registered a growth of 19.76% in 2011-12 and reached US\$ 32.95 billion against US\$ 27.50 billion in 2010-11. Growth continued in 2012-13 (6.02%) as well as 2013- 14 (12.94%) and touched US\$ 39.45 billion in FY 2013-14. Textiles exports in the first nine months during FY 2014-15 (Apr-Dec) witnessed growth of 15% in US\$ terms and 15% in rupee terms against the same period of FY 2013-14 (Apr-Dec).
- The total textile exports during 2013-14 was valued at USD 39.45 billion as against USD 34.93 billion during the financial year 2012-13, registered an increase of 12.94% in Dollar terms. In Rupee term, the same was valued at Rs. 239221.80 crore (in 2013-14) as against Rs. 189940.65 crore (in 2012-13) and registered growth of 25.95% in Rupee term.
- During the year 2013-14, Readymade Garments account for almost 37% of the total textiles exports. As per latest available statistics during the first nine months of 2014-15, exports of RMG account for 47% of the total textiles exports. cotton extiles (35%) and Man-made textiles (18%)
- India's textiles products, including handlooms and handicrafts, are exported to more than hundred countries. However, the USA and the EU, account for about two-thirds of India's textiles exports. The other major export destinations are China, U.A.E., Sri Lanka, Saudi Arabia, Republic of Korea, Bangladesh, Turkey, Pakistan, Brazil, Hong-Kong, Canada and Egypt etc.

(Source: Annual Report 2013 – 2014, Ministry of Textiles, GOI)

India Advantage

	INDIA	OTHER COUNTRIES
Capacity Utilization	High	Low
Raw material self-sufficiency	High	Low
Level of Integration	High	Low
Dependence on Exports	Low	High
Textile Industry	Fragmented	Consolidated
Textile Exports	Cotton-Based	Non Cotton Based
Per capita fibre consumption	Low	High

Growth Drivers

Domestic Growth Drivers

- Growth in GDP Rate
- Increase in Working Population
- Increase in Young Population
- Greater Disposable Income
- Usage of newer Credit facilities
- Growth in Organized Retail
- Change in Lifestyle
- Increase in Hotels and Tourism
- Hospitals and other Healthcare Products (diapers etc)
- Auto Textiles
- Sports Shoes and Shoe Industry
- Packaging Items

Global Factors

- Need for Vertically Integrated Players
- Quota Regime on China
- Rising Outsourcing Budgets of Textile Players
- Increase in Specialty Stores
- Rising Inflation and Uncompetitive manufacturing in the Developed world
- Indian Companies have design studios abroad
- Dismantling of spinning and weaving capacities in USA, Europe and Japan
- Better Corporate Governance of Indian Corporates
- Chances of Removal of Subsidies on Cotton Production in USA

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:

- The Ministry of Textiles launched Technology Mission on Technical Textiles (TMTT) with two mini-missions for a period of five years (from 2010-11 to 2011-12 in the 11th five year plan and 2012-13 to 2014-15 in 12th five year plan) with a total fund outlay of Rs 200 crore (US\$ 30.1 million). The objective of TMTT is to promote technical textiles by helping to develop world class testing facilities at eight Centres of Excellence across India, promoting indigenous development of prototypes, providing support for domestic and export market development and encouraging contract research.
- The Government of India is expected to soon announce a new National Textiles Policy. The new policy aims at creating 35 million new jobs by way of increased investments by foreign companies, as per Textiles Secretary Mr S K Panda.
- 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 Rs 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 Rs 427 crore (US\$ 64.3 million) for five years from 2014-15.
 - A Memorandum of Understanding (MoU) has been signed between India and Kyrgyzstan seeking to strengthen bilateral cooperation in three fields -Textiles and Clothing, Silk and Sericulture, Fashion

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

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.

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

OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Prospectus, including the information contained in the section titled 'Risk Factors', beginning on page 12 of the Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page 12, 111 and 129, respectively, of the Prospectus.

Unless the context otherwise requires, in relation to business operations, in this section of the Prospectus, all references to "we", "us", "our" and "our Company" are to Ghushine Fintrade Ocean Limited and Group Entities as the case may be.

Overview

Our Company was incorporated as 'Pallavi Finstock Private Limited' a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated May 10, 1995 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to 'Pallavi Finstock Limited' pursuant to a Certificate of Incorporation dated July 14, 2015 issued by the Registrar of Companies, Gujarat, Ahmedabad. Further the name of our company was changed to Ghushine Fintrade Ocean Limited vide Certificate of Incorporation pursuant to change of name dated August 4, 2015 issued by the Registrar of Companies, Gujarat, Ahmedabad.

We are engaged in trading activities of various textile materials (semi-finished and finished products) in the textile market. Our Company is involved in trading of various textile products which are of high quality and also bulk trading. We are located in textile hub of Surat which give us an added advantage in terms of procurement.

We are engaged in the trading of following products:

- Grey Fabric
- Fabric for Suiting & Shirtings
- Sarees
- Dress Materials
- Quilting Fabric
- Fabric for home furnishings such as curtains

Our Company is engaged in trading of all kind of fabrics, including cotton, poly cotton, and all kind of synthetic fabrics. Our product range includes both finished and unfinished fabrics, offered in almost all widths ranging from 36" to 120". The company is now actively engaged in supplying fabrics to various corporates in textile sector.

Location

Currently, our Company is operating from following locations:

Type of Facility	Location
Registered Office	203, Trividh Chambers, Rushabh Petrol Pump Lane, Ring Road, Surat - 395002, Gujarat

OUR PRODUCTS AND PROCESSES

We are engaged in the trading of following products:

- Grey Fabric
- Fabric for Suiting & Shirtings
- Sarees
- Dress Materials
- Quilting Fabric
- Fabric for home furnishings such as curtains

With globalization being the mantra of most business houses today, a dynamic economy and favourable demographics make trading more viable than before. As a facilitator we understand the needs of our clients and help them procure the products which are most suitable to them.

Our Competitive Strengths

1. Quality

Our Company has always believed in the best quality in our sourcing process and products. Our Company is dedicated towards quality of our products. We adhere to quality standards as prescribed by our customers.

2. Multiple Products

Our Company offer various products such as Fabric for Suiting & Shirtings, Sarees, Dress Materials, Quilting Fabric and Fabric for home furnishings such as curtains. We trade in multiple textile products to cater to the specific needs of our clients.

3. Being focused on the Small & Midcap segment has given us an insight to the precise needs of these clients. We strive to deliver the most suited products in a cost effective manner.

Our Business Strategy

1. Enhancing our existing customer base

Our present customer base comprises of a large number of Indian companies/concerns. Our Company intends to grow in the business continuously by adding new customers.

2. Competitive Pricing

To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the competition and claim a position of strength in the marketplace.

Plant and Machinery

Since we are a trading company, we do not own any major plant and machinery.

Collaborations

We have not entered into any technical or other collaboration.

Utilities & Infrastructure Facilities

Manpower

Our Company is committed towards creating an organization that nurtures talent. The following is a break-up of our employees as on the date of the Prospectus:

Sr. No.	Category	Total
1	Management	5
2	Others	2
	Total	7

Logistics

We facilitate door-to-door delivery service to our customers through third party transport service providers. We outsource our transportation to transportation agencies.

Past Production Figures Industry-wise

For details of the industry data please refer to section titles “Our Industry” beginning on page 74 of the Prospectus.

Competition

We face the competition in our business from other existing traders and manufacturers of fabrics. We compete with our competitors on a regional or product line basis. Many of our competitors have substantially large capital base and resources than we do and offer broader range products. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus and the relative quality and price of the services and products.

Approach to Marketing and Marketing Set-up

Our top management and key executives enjoy the confidence of several corporate and retail clients and we currently market only to a selected setup of clients. We interact with our customers to get the feedback on the quality of products and services and improve the same as well.

Future Prospects

The future plans of our Company are in line with the way the textile industry is thinking and planning ahead after removal of safeguard quota.

Capacity and Capacity Utilization

Our Company being in the trading industry installed capacity and capacity utilization is not applicable to us.

Export Possibilities & Export Obligation

Currently, we do not have any outstanding export obligations.

Property

Registered Office: We have our registered office at: 203, Trividh Chambers, Rushabh Petrol Pump Lane, Ring Road, Surat - 395002, Gujarat.

We have taken the said office on rent from vide Rent Agreement dated September 14, 2015 from Mr. Sanjaykumar Kanubhai Shah for a period of 11 months till August 20, 2016 at the monthly rent of ` 11,500 per month and interest free deposit of ` 30,000.

Intellectual Property

Our Company does not hold any intellectual property.

Insurance

Our 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 and is in accordance with the industry standard.

KEY REGULATIONS AND POLICIES

There are no specific laws in India governing the industry in which we operate in India. The significant legislations and regulations that generally govern our industry in India are acts such as the Income Tax Act, 1961, Service Tax Rules, 1994, State Shops and Establishment Act, State Tax on Professions, Trades, Callings and Employment Act, 1975 and such other acts as applicable. Taxation statutes such as the Income Tax Act, 1961, Central Sales Tax Act, 1956 and applicable local sales tax statutes, Sales Tax, VAT and labour laws apply to us as they do to any other Indian company. For details of government approvals obtained by us, please refer to the chapter titled “Government and Other Approvals” beginning on page 135 of the Prospectus.

HISTORY AND CERTAIN CORPORATE MATTERS

History of our Company

Our Company was incorporated as ‘Pallavi Finstock Private Limited’ a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated May 10, 1995 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to ‘Pallavi Finstock Limited’ pursuant to a Certificate of Incorporation dated July 14, 2015 issued by the Registrar of Companies, Gujarat, Ahmedabad. Further the name of our company was changed to Ghushine Fintrade Ocean Limited vide Certificate of Incorporation pursuant to change of name dated August 4, 2015 issued by the Registrar of Companies, Gujarat, Ahmedabad. Our corporate identification number is U65910GJ1995PLC025823.

We are engaged in trading activities of various textile materials (semi-finished and finished products) in the textile market. Our Company is involved in trading of various textile products which are of high quality and also bulk trading. We are located in textile hub of Surat which give us an added advantage in terms of procurement. Initially our Company was formed with the object of investment and advisory company. We invested in the equity shares of Mercury Ventures Limited however the investment was later sold in FY 2015. However later on we decided to venture in to the textile business.

For further details of our Company’s activities, services and the growth of our Company, please refer to the chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page 81 and 129, respectively, of the Prospectus.

The total number of members of our Company as on the date of filing of the Prospectus is 7. For further details, please refer the chapter titled ‘*Capital Structure*’ beginning on page 41 of the Prospectus.

Changes in our Registered Office:

Our Company’s Registered Office is currently situated at 203, Trividh Chambers, Rushabh Petrol Pump Lane, Ring Road, Surat - 395002, Gujarat. There has been no change in the registered office of our Company since incorporation.

From	To	Effective Date	Reason
S-2013 J J AC Market, Ring Road, Surat- 395002, Gujarat	C-1/38,II Floor,Kailash Nagar Society, Sagrampura, Nr.Majuragate, Surat-395001, Gujarat	February 1, 2011	For administrative convenience
C-1/38,II Floor,Kailash Nagar Society, Sagrampura, Nr.Majuragate, Surat-395001, Gujarat	203, Trividh Chambers, Rushabh Petrol Pump Lane, Ring Road, Surat - 395002, Gujarat	September 15, 2015	For administrative convenience

Main Objects of our Company:

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The main objects of our Company are:

1. To Carry on the business of providing any kind of financial and dealing of any kind of Shares, Securities, valuable documents, negotiable instruments and documents.

2. To carry on business of Investment Company and to invest in securities the funds of the company and /or of clients and borrowed funds and to carry on the business as finance company.

3. To carry on all or any business as buyers, sellers, traders, distributors, merchants, agents, brokers, sub-brokers, stockist, commission agents, franchisee, dealers, C & F agents, various types of agencies, network marketing & marketing associates, manufacturers, importers and exporters, merchants of and dealers in textile goods, cloth, yarn, fabric and allied materials including readymade wear, cotton, nylon, terelene, polyester, woolen and other synthetics manmade cloth and yarn and also engage in the trading of any kind or type of yarn, cloth, embroidered goods, and other fabrics made out of from cotton, wool, silk, art silk yarn or any other man-made yarn.

Amendments to the MoA of our Company since Incorporation:

Since incorporation, the following amendments have been made to the MoA of our Company:

Since the incorporation of our Company, the authorised share capital of our Company has been altered in the manner set forth below:

Date	Changes
September 4, 1995	Increased authorised capital from ₹ 25,00,000 consisting of 2,50,000 Equity shares of ₹ 10 each to ₹ 50,00,000 consisting of 5,00,000 Equity shares of ₹ 10 each
September 1, 2009	Increased authorised capital from ₹ 50,00,000 consisting of 5,00,000 Equity shares of ₹ 10 each to ₹ 1,00,00,000 consisting of 10,00,000 Equity shares of ₹ 10 each
January 12, 2015	Increased authorised capital from ₹ 1,00,00,000 consisting of 10,00,000 Equity shares of ₹ 10 each to ₹ 3,00,00,000 consisting of 30,00,000 Equity shares of ₹ 10 each
May 29, 2014	Increased authorised capital from ₹ 3,00,00,000 consisting of 30,00,000 Equity shares of ₹ 10 each to ₹ 5,00,00,000 consisting of 50,00,000 Equity shares of ₹ 10 each
July 25, 2015	Change in objects to include below mentioned in main objects: To carry on the business of trading, marketing, export, merchants and dealers in Art Silk and textile goods and allied materials including readymade wear, cotton, nylon, terelene, polyester, woolen and other synthetics manmade cloth and yarn and other fabrics made out of from cotton, wool, silk, art silk yarn or any other man-made yarn, trading, marketing, export, merchants and dealers in gems & jewellery, diamonds, pearls, imitation jewellery.
September 29, 2015	Change in main objects to widen the scope in textiles and remove jems and jewellery from objects as mentioned below: To carry on all or any business as buyers, sellers, traders, distributors, merchants, agents, brokers, sub-brokers, stockiest, commission agents, franchisee, dealers, C & F agents, various types of agencies, network marketing & marketing associates, manufacturers, importers and exporters, merchants of and dealers in textile goods, cloth, yarn, fabric and allied materials including readymade wear, cotton, nylon, terelene, polyester,

	woolen and other synthetics manmade cloth and yarn and also engage in the trading of any kind or type of yarn, cloth, embroidered goods, and other fabrics made out of from cotton, wool, silk, art silk yarn or any other man-made yarn.
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Key Events and Milestones:

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

Financial Year	Event
1995	Incorporation
2015	Commencement of Textile Trading Business
2016	Added new products in our portfolio

Subsidiaries and Holding Company:

Our Company is not a subsidiary of any company. Further, we do not have any subsidiary company.

Other declarations and disclosures

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI.

Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

Fund raising through equity or debt:

For details in relation to our fund raising activities through equity and debt, please refer to the chapters titled 'Financial Information' and 'Capital Structure' beginning on page 111 and 41, respectively, of the Prospectus.

Revaluation of assets:

Our Company has not revalued its assets since its incorporation.

Changes in the activities of our Company having a material effect

There has been no change in the activities being carried out by our Company during the preceding five years from the date of the Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Injunctions or Restraining Orders:

Our Company is not operating under any injunction or restraining order.

Mergers and acquisitions in the history of our Company

There has been no merger or acquisition of businesses or undertakings in the history of our Company.

Defaults or Rescheduling of borrowings with financial institutions/banks:

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

Strikes and lock-outs:

Our Company has, not been involved in any labour disputes or disturbances including strikes and lock- outs. As on the date of the Prospectus, our employees are not unionized.

Time and cost overruns in setting up projects:

As on the date of the Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

Shareholders' agreement:

Our Company does not have any subsisting shareholders' agreement as on the date of the Prospectus.

Other Agreements:

Our Company does not have any other agreement as on the date of the Prospectus.

Strategic Partners:

Our Company does not have any strategic partner(s) as on the date of the Prospectus.

Financial Partners:

As on the date of the Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

OUR MANAGEMENT

As per the Articles of Association of our Company, we are required to have not less than three (3) Directors and not more than twelve (12) Directors on its Board. As on date of the Prospectus, our Board consist of 5 (five) Directors. Mr. Alok B.Jain is the Managing Director of our Company. Further, our Board in compliance with the requirements of regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The Board of Directors of our Company

The following table sets forth certain details regarding the members of our Company's Board as on the date of the Prospectus:

Sr. No.	Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
1.	<p>Mr. Alok B. Jain</p> <p>S/o Mr. Bhopalsingh Jain</p> <p><i>Designation: Managing Director (Executive and Non-Independent)</i></p> <p><i>Ad dress: F-316, Green Avenue Com, Union Park Gali, Ghod Dod Road, Surat, Gujarat, India 395006</i></p> <p><i>Nationality: Indian</i></p> <p><i>Age: 44 years</i></p> <p><i>Occupation: Business</i></p> <p><i>DIN: 01426732</i></p>	<p><i>Date of appointment:</i></p> <p>Appointed as Managing Director with effect from October 12, 2015</p> <p><i>Term: For a period of 3 years.</i></p>	<p><i>Public Limited Companies:</i></p> <ul style="list-style-type: none"> • Nil <p><i>Private Limited Companies:</i></p> <ul style="list-style-type: none"> • Mercury Ventures Private Limited
2.	<p>Mrs. Kapila A. Jain</p> <p>S/o Mr. Balesh Jain</p> <p><i>Designation: Director (Non Executive and Non Independent)</i></p> <p><i>Address: F-316, Green Avenue Com, Union Park Gali, Ghod Dod Road, Surat, Gujarat, India 395006</i></p> <p><i>Nationality: Indian</i></p> <p><i>Age: 41 years</i></p> <p><i>Occupation: Business</i></p> <p><i>DIN: 01426794</i></p>	<p><i>Date of appointment: May 10, 1995</i></p> <p><i>Term: Liable to retire by rotation</i></p>	<p><i>Public Limited Companies:</i></p> <ul style="list-style-type: none"> • Nil <p><i>Private Limited Companies:</i></p> <ul style="list-style-type: none"> • Mercury Ventures Private Limited
3.	<p>Ms. Bhavini Lankapati Jagdish</p>	<p><i>Date of appointment:</i></p>	<p><i>Public Limited Companies:</i></p>

Sr. No.	Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
	<p>S/o Mr. Jagdishchandra Lankapati Chimanlal</p> <p><i>Designation: Director (Non-executive and Independent)</i></p> <p><i>Address: 21, Mahaprabhu Nagar, Limbayat, Surat, Gujarat, India 394210</i></p> <p><i>Nationality: Indian</i></p> <p><i>Age: 24 years</i></p> <p><i>Occupation: Service</i></p> <p><i>DIN: 07315285</i></p>	<p>October 10, 2015</p> <p><i>Term: For a term of five consecutive years</i></p>	<ul style="list-style-type: none"> • Nil <p><i>Private Companies: Limited</i></p> <ul style="list-style-type: none"> • NIL
4.	<p>Mrs. Sheela Somnath Kadechkar</p> <p>S/o Mr. Ramkrishna Tukaram Takale</p> <p><i>Designation: Director (Non-executive and Independent)</i></p> <p><i>Address: Behind Sundar Nagar, C-002, Amarpali, Malad (West), Mumbai, Maharashtra India 400064</i></p> <p><i>Nationality: Indian</i></p> <p><i>Age: 64 years</i></p> <p><i>Occupation: Professional</i></p> <p><i>DIN: 06862410</i></p>	<p><i>Date of appointment: October 12, 2015</i></p> <p><i>Term: Five consecutive years</i></p>	<p><i>Public Limited Companies:</i></p> <ul style="list-style-type: none"> • Sanasa Tech Feb Limited • Golden Leasing & Finance Limited • Subh Tex (India) Limited <p><i>Private Companies: Limited</i></p> <ul style="list-style-type: none"> • Nil
5.	<p>Mr. Ketan Ishvarlal Parekh</p> <p>S/o Mr. Ishvarlal Narandas Parekh</p> <p><i>Designation: Director (Non-executive and Independent)</i></p> <p><i>Address: A-201, Anjan Salakha Bldg, Near Jain Derasar, Bawan Jinadan, Tighra Jakat Naka, Navsaeri Gujarat, India 396445</i></p> <p><i>Nationality: Indian</i></p>	<p><i>Date of appointment: October 12, 2015</i></p> <p><i>Term: Five consecutive years</i></p>	<p><i>Public Limited Companies:</i></p> <ul style="list-style-type: none"> • Nil <p><i>Private Companies: Limited</i></p> <ul style="list-style-type: none"> • Nil

Sr. No.	Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
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Age: 42 years

Occupation: Business

DIN: 07316491

Note:

- 1) None of the above mentioned Directors are on the RBI List of willful defaulters as on the date of the Prospectus.
- 2) None of the Promoter, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.
- 3) None of the Promoter, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

Brief Profile of the Directors of our Company

Mr. Alok B. Jain, aged 44 Years, is the Managing Director of our Company. He is an under graduate. He is having an experience of over 2 decades of experience in textile trading business and finance. He is instrumental in identifying trading opportunities and business development of our Company. He is a promoter director of our Company. He gives strategic direction to our Company and also takes care of day to day operations of our Company.

Mrs. Kapila Alok Jain, aged 41 Years, is the Director of our Company. She is an under graduate. She is a home maker and not involved in day to day business of our Company. However she gets involved in procurements made by our Company on case to case basis.

Ms. Bhavini Lankapati Jagdish, aged 24 years, is a non-executive independent Director of our Company. She holds a bachelors' degree in commerce from Veer Narmad South Gujarat University. She is having an experience of over 2 years in the field of administration.

Mrs. Sheela Somnath Kadechkar, aged 64 years, is a non-executive independent Director of our Company. She has completed her Intermediate in Arts from the Univeristy of Bombay and has also completed her B.A. Part I examination from University of Bombay. She has experience of over 30 years in the banking.

Mr. Ketan Ishvarlal Parekh, aged 42 years, is a non-executive independent Director of our Company. He holds a bachelors' degree in commerce from South Gujarat University. He has experience of over 10 years in IT industry.

Family relationship between Directors

Mr. Alok B. Jain: Sopuse of Mrs. Kapila A. Jain

Mrs. Kapila A. Jain: Sopuse of Mr. Alok B. Jain

Borrowing power of the Board

The borrowing powers of our Board are regulated by the provisions of the Articles of Association of our Company.

Pursuant to a special resolution passed at the Extraordinary General Meeting of our shareholders held on October 27, 2015 our Directors were authorised to borrow money(s) on behalf of our Company in excess of the paid up share capital and the free reserves of our Company from time to time, pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, subject to an amount not exceeding ₹ 20.00 crores.

For further details of the provisions of our Articles of Association regarding borrowing powers, please refer to the chapter titled 'Main Provisions of the Articles of Association' beginning on page 214 of the Prospectus.

Terms and Conditions of Employment of the Directors

i. Executive Directors

Mr. Alok B. Jain, Managing Director

Mr. Alok B. Jain is the Managing Director of our Company. He has been designated as the Managing Director of our Company for a term of 3 years commencing w.e.f. October 12, 2015. The remuneration payable to our Managing Director towards salary in terms of the Board resolution dated October 12, 2015 shall not exceed ₹ 50,000 per month.

Mrs. Kapila A. Jain, Director

Mrs. Kapila A. Jain is the Non Executive Director of our Company. No remuneration is payable to her.

ii. Independent Directors

Our independent Directors are not entitled to any sitting fees for attending meetings of the Board, or of any committee of the Board. However they may be paid the remuneration as may be decided by the board.

Shareholding of Directors in our Company

As per the Articles of Association of our Company, a Director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of the Prospectus:

Sr. No.	Name of the Directors	No. of Equity Shares held	% of pre-issue paid-up Equity Share capital in our Company
1.	Mr. Alok B. Jain	502,420	21.43%
2.	Mrs. Kapila A. Jain	639,200	27.26%

Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the BSE / NSE and reasons for suspension

None of our Directors is / was a Director in any listed company during the last five years before the date of filing the Prospectus, whose shares have been / were suspended from being traded on the BSE and NSE.

Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from being traded on any stock exchange.

Interest of Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Managing Director of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to any body corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and Promoter, pursuant to this Issue.

All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Director himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

Interest in promotion of our Company

Except for Mr. Alok B. Jain and Mrs. Kapila A. Jain, being promoter of our Promoter Company, none of our Directors have any interest in the promotion of our Company.

Interest in the property of our Company

Our Directors have no interest in any property acquired or proposed to be acquired by our Company in the preceding two years from the date of the Prospectus nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Interest in the business of our Company

Further, save and except as stated otherwise in “Statement of Transactions with Related Parties” in the chapter titled “Financial Information” beginning on page 111 of the Prospectus, our Directors do not have any other interests in our Company as on the date of the Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the directors was selected as a director or member of senior management.

Details of Service Contracts

There is no service contracts entered into with any Directors for provision of benefits or payments of any amount upon termination of employment.

Bonus or Profit Sharing Plan for the Directors

There is no bonus or profit sharing plan for the Directors of our Company.

Contingent and Deferred Compensation payable to Directors

No Director has received or is entitled to any contingent or deferred compensation.

Changes in the Board for the last three years

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

Name of Director	Date of Appointment	Date of Cessation	Reason for Change
Mr. Alok B. Jain	October 12, 2015		Appointment as Managing Director
Ms. Bhavini Lankapati Jagdish	October 10, 2015		Appointed as Independent Director to broad base the board
Mrs. Sheela Somnath Kadechkar	October 10, 2015		Appointed as Independent Director to broad base the board
Mr. Ketan Ishvarlal Parekh	October 10, 2015		Appointed as Independent Director to broad base the board
Mr. Prahladsinh Kesarsinh Rathod	June 24, 2015	October 10, 2015	Resignation
Mrs. Kismatben Prahladsingh Rathod	June 24, 2015	October 10, 2015	Resignation
Mr. Pavan Sumermal Jain	July 15, 2015	October 10, 2015	Resignation

Corporate Governance

As per the provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the the SEBI ICDR Regulations in respect of corporate governance become applicable to our Company at the time of seeking in-principle approval of the Stock Exchanges. Our Company has complied with the corporate governance code in accordance with SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The requirements pertaining to board basing of the Board. The requirements pertaining to broad basing of Board of Directors and the constitution of committees such as Audit Committee, Remuneration and Stakeholders Relationship Committee, Remuneration committee have already been complied with.

Our Board has been constituted in compliance with Companies Act, 2013 in accordance with best practices in Corporate Governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas.

Composition of Board of Directors

Our Board has five Directors out of which three are independent and non executive directors in accordance with the requirement of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Remuneration Committee
3. Stakeholders Relationship Committee

1. Audit Committee

The Audit Committee was constituted *vide* Board resolution dated October 29, 2015. As on the date of the Prospectus the Audit Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mrs. Sheela Somnath Kadechkar	Chairman	Non-executive and Independent
Mr. Ketan Ishvarlal Parekh	Member	Non-executive and Independent
Ms. Bhavini Lankapati Jagdish	Member	Non-executive and Independent

Our Company Secretary is the secretary of the Audit Committee.

The terms of reference of our Audit Committee are given below:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. 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.
3. Approval of payment to the statutory auditors for any other services rendered by the statutory auditors.
4. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
5. Examination of the financial statement and the auditors' report thereon;
6. Approval or any subsequent modification of transactions of the company with related parties;
7. Scrutiny of inter-corporate loans and investments;
8. Valuation of undertakings or assets of the company, wherever it is necessary;
9. Evaluation of internal financial controls and risk management systems;
10. Appointment, removal and terms of remuneration of internal auditor.
11. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference, but not restricted to:
 - a. Matters required to be included in the Director's Responsibility Statement' to be included in our Board's report in terms of Clause (2AA) of Section 217 of the Companies Act;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to the financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
12. Reviewing, with the management, the quarterly financial statements before submission to the board of directors for their approval, including such review as may be required for compliance with provisions of the SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015;
13. Monitoring the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes

- other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
14. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 15. 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.
 16. Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
 17. Discussing with internal auditors on any significant findings and follow up thereon.
 18. 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.
 19. 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.
 20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
 21. To review the functioning of the ‘whistle blower/Vigil Mechanism’ mechanism, when the same is adopted by our Company and is existing.
 22. 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.
 23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to carry out any other function statutorily required to be carried out by the Audit Committee as per applicable laws;
 24. The Audit Committee shall mandatorily review the following information:
 - a. Management discussion and analysis of financial information and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the 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.
 25. Terms of reference, power, quorum and other matters in relation to the Audit Committee will be as per of SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015.”

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 Audit Committee, reasons for disagreement shall have to be minuted in 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 our Company to provide clarifications on matters relating to the audit.

The Audit Committee is required to meet at least four times in a year and not more than four months will elapse between two meetings. The quorum will be either two members or one third of the members of the Audit Committee whichever is greater, but there should be a minimum of two independent members present.

2. Remuneration Committee

The Remuneration Committee was constituted at a meeting of the Board of Directors held on October 29, 2015. As on the date of the Prospectus the Remuneration Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Ketan Ishvarlal Parekh	Chairman	Non-executive and Independent
Mrs. Sheela Somnath Kadechkar	Member	Non-executive and Independent
Ms. Bhavini Lankapati Jagdish	Member	Non-executive and Independent

Our Company Secretary is the secretary of the Remuneration Committee.

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

1. Ensure that our Company has formal and transparent procedures for the selection and appointment of new directors to the board and succession plans;
2. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. while formulating the policy to ensure that—
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
3. To make recommendations for the appointment and removal of directors;
4. Ensure that our Company has in place a programme for the effective induction of new directors;
5. To review, on an ongoing basis, the structure of the board, its committees and their inter relationship;
6. To recommend to the Board, the remuneration packages of our Company's Managing / Joint Managing / Deputy Managing / Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
7. To be authorised at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, our Company's policy on specific remuneration packages for Company's Managing / Joint Managing / Deputy Managing / Whole-time / Executive Directors, including pension rights and any compensation payment;
8. To implement, supervise and administer any share or stock option scheme of our Company; and
9. To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

The Remuneration Committee is required to meet at least four times in a year and not more than four months will elapse between two meetings. The quorum will be either two members or one third of the members of the Remuneration Committee whichever is greater, but there should be a minimum of two independent members present.

3. Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been formed by the Board of Directors at the meeting held on October 29, 2015. As on the date of the Prospectus the Stakeholders Relationship Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Ketan Ishvarlal Parekh	Chairman	Non-executive and Independent
Mrs. Kapila A. Jain	Member	Non-executive and Non Independent
Ms. Bhavini Lankapati Jagdish	Member	Non-executive and Independent

Our Company Secretary is the secretary of the Stakeholders Relationship Committee.

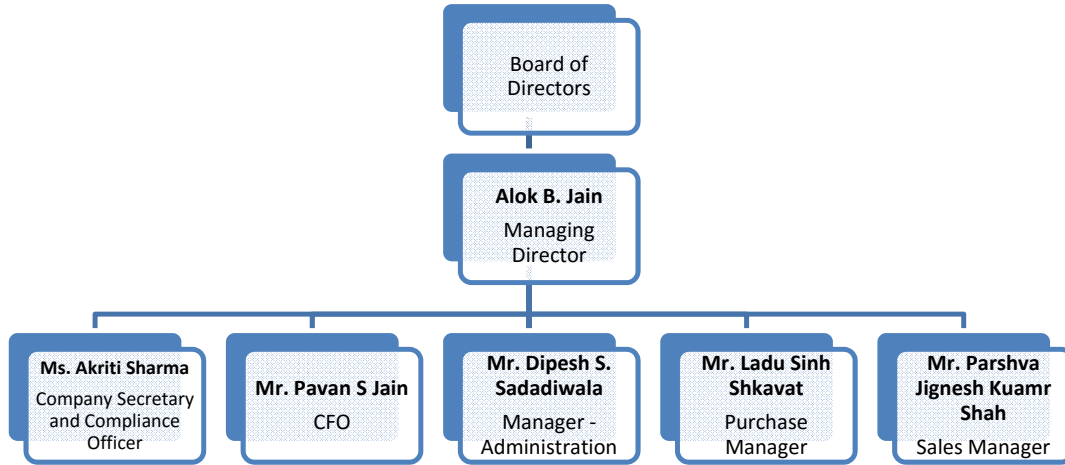
This Committee will address all grievances of Shareholders and Investors and its terms of reference include the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of shareholders and investor complaints in relation to transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends etc;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares
4. Issue of duplicate / split / consolidated share certificates;
5. Allotment and listing of shares;
6. Review of cases for refusal of transfer / transmission of shares and debentures;
7. Reference to statutory and regulatory authorities regarding investor grievances;
8. Ensure proper and timely attendance and redressal of investor queries and grievances.
9. To do all such acts, things or deeds as may be necessary or incidental to the exercise of all the above powers.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchange. Our Company Secretary, Ms. Akriti Sharma, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of price sensitive information and in the implementation of the code of conduct under the overall supervision of the Board.

Management Organisation Chart



Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Mr. Pavan S. Jain, aged 40 years, is the CFO of our Company. He has completed his Bachelor in Commerce from MDS University, Ajmer. He is having an experience of nearly 10 years in the field of financial advisory. He was appointed as CFO with effect from April 1, 2016. He looks after the day to day finance and accounting operations of our Company as CFO of the Company. No remuneration was paid to him in the Fiscal 2015 by our Company.

Mr. Dipesh T. Sadadiwala, aged 44 years, is the Manager – Administration of our Company. He is an under graduate and has completed his Short Term Training Programme in Power Loom Weaving from Powerloom Service Centre, Ministry of Textiles, Government of India. He joined our Company on April 23, 2015. He overlooks the administration related matters of our Company. He has over 5 years of experience in the field of printing and marketing. No remuneration was paid to him in the Fiscal 2015 by our Company.

Mr. Ladu Sinh Shkavat, aged 30 years, is the Purchase Manager of our Company. He is an undergraduate. He joined our Company on May 18, 2015. He takes care of all the procurements made by our Company. He has over 3 years of experience in the field of textile industry. No remuneration was paid to him in the Fiscal 2015 by our Company.

Mr. Parshva Jignesh Kuamr Shah, aged 24 years, is the Manager Sales of our Company. He has completed his B.E. (Computer) from Shri Krishna Institute of Technology, Bangalore. He joined our Company on April 4, 2015. He takes care of marketing & sales of our Company's products. He has over 3 years of experience in the textile industry. No remuneration was paid to him in the Fiscal 2015 by our Company.

Ms. Akriti Sharma, aged 25 years, is the Company Secretary and Compliance officer of our Company. She is a Commerce Graduate from Surendranath College for Women and is a qualified Company Secretary from the Institute of Company Secretaries of India. She has approximately over 3 years of experience in legal and secretarial matters. Prior to joining our Company, she was working with Unishire Urban Infra Limited. At present, she is responsible for looking after the secretarial matters of our Company. No remuneration was paid to her in the Fiscal 2015 by our Company as she joined our Company on April 5, 2016.

Notes:

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.
- None of the key managerial personnel are “related” to the Promoters or Directors of our Company within the meaning of Section 2(77) of the Companies Act, 2013.

Details of Service Contracts of our Key Managerial Personnel

Our key managerial personnel have not entered into any other contractual arrangements with our Company.

Bonus and/ or Profit Sharing Plan for the Key Managerial Personnel

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

Contingent and Deferred Compensation payable to Key Managerial Personnel

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

Shareholding of the Key Managerial Personnel

None of our Key Managerial Personnel are holding any Equity Shares in our Company as on the date of the Prospectus.

Interest of Key Managerial Personnel

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Changes in our Company’s Key Managerial Personnel during the last three years

Following have been the changes in the Key Managerial Personnel during the last three years:

Sr. No.	Name	Date of Joining	Date of Leaving	Reason
1.	Mr. Parshva Jignesh Kuamr Shah	April 4, 2015		Appointment
2.	Mr. Dipesh T. Sadadiwala	April 23, 2015	--	Appointment
3.	Mr. Ladu Sinh Shkavat	May 18, 2015	--	Appointment
4.	Mr. Mahesh Chourasiya	October 29, 2015	April 1, 2016	Resignation
5.	Mr. Ashish Ajay Giniwala	October 29, 2015	March 7, 2016	Resignation

Sr. No.	Name	Date of Joining	Date of Leaving	Reason
6.	Ms. Akriti Sharma	April 5, 2016		Appointment
7.	Mr. Pavan Jain	April 1, 2016		Appointment

Scheme of Employee Stock Options or Employee Stock Purchase

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

Employees

As on the date of the Prospectus, our Company has 7 employees which includes both permanent and contractual employees. For details of the Employees/ Manpower of our Company, please refer to the paragraph titled 'Manpower' under the chapter titled 'Our Business' beginning on page 81 of the Prospectus.

Loans to Key Managerial Personnel

There are no loans outstanding against the key managerial personnel as on the date of the Prospectus.

Payment of Benefits to officers of our Company (non-salary related)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled "Financial Information" and the chapter titled "Our Business" beginning on pages 111 and 81 of the Prospectus, we have not paid/ given any benefit to the officers of our Company, since incorporation and nor do we intend to make such payment/ give such benefit to any officer as on the date of the Prospectus.

Retirement Benefits

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are:

Individual Promoter:

1. Mr. Alok B. Jain
2. Mrs. Kapila A. Jain

Brief profile of our Promoters is as under:



Mr. Alok B. Jain, aged 44 Years, is the Managing Director of our Company. He is an under graduate. He is having an experience of over 2 decades of experience in textile trading business and finance. He is instrumental in identifying trading opportunities and business development of our Company. He is a promoter director of our Company. He gives strategic direction to our Company and also takes care of day to day operations of our Company.

Passport No: G8142506

Driving License: GJ0519910041466

Voters ID: CTL4339628

PAN: AAUPJ3187H

Address: F-316, Green Avenue Com, Union Park Gali, Ghod Dod Road, Surat, Gujarat, India 395006

For further details relating to Mr. Alok B. Jain, please refer to the chapter titled “*Our Management*” beginning on page number 90 of the Prospectus.



Mrs. Kapila Alok Jain, aged 41 Years, is the Director of our Company. She is an under graduate. She is a home maker and not involved in day to day business of our Company. However she gets involved in procurements made by our Company on case to case basis.

Passport No: G8142508

Driving License: N.A.

Voters ID: CTL4339636

PAN: AALPJ9006H

Address: F-316, Green Avenue Com, Union Park Gali, Ghod Dod Road, Surat, Gujarat, India 395006

For further details relating to Mrs. Kapila Alok Jain, please refer to the chapter titled “*Our Management*” beginning on page number 90 of the Prospectus.

Declaration

Our Company hereby confirms that the personal details of our Individual Promoters viz., Permanent Account Number, Passport Number, and Bank Account Number will be submitted to BSE, at the time of filing the Prospectus with them.

Our Promoters and the members of our Promoter Group have not been debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or

governmental authority. None of our Promoters was or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Further, neither our Promoter, the relatives of our Promoters (as defined under the Companies Act) nor our Group Companies have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by any of our Promoters in the past and no proceedings for violation of securities laws are pending against any of the Promoters.

INTEREST OF PROMOTER

Interest in promotion of our Company

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and influencing significant control over the management and policy decisions of our Company.

Interest in the property of our Company

Our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of the Prospectus.

Interest as member of our Company

Our Promoters and members of the Promoter Group jointly hold 23,44,870 Equity Shares aggregating to 99.999% of pre-Issue Equity Share Capital in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company. Except to the extent of their respective shareholding in our Company and as given in the chapter titled “Our Management” beginning on page 90 of the Prospectus, our Promoters and members of the Promoter Group hold no other interest in our Company.

Interest as a creditor of our Company

As on the date of the Prospectus our Company has not availed any secured loan from any of the Promoters of our Company.

Interest as Director of our Company

Except as stated in the “Related Party Transactions” beginning on page 105 of the Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AoA.

Interest in transactions involving acquisition of land

Our Promoters are not currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Payment or benefit to Promoters of the issuer:

Except as stated in the “Related Party Transactions” beginning on page 105 of the Prospectus and remuneration paid to our Managing Director, no amount or benefit has been paid or given within the two years preceding the date of filing Prospectus with the BSE or intended to be paid or given to any Promoters or promoter group and consideration for payment of giving of the benefit.

Other Ventures of our Promoter

Save and except as disclosed in the chapters titled '*Our Group Entities*' beginning on page 107 of the Prospectus, there are no other ventures of our Promoter in which they have business interests/other interests.

Related Party Transactions

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Our Promoter Group:

Our Promoter and Promoter Group in terms of Regulation 2(1)(za) and 2(1)(zb) of the SEBI (ICDR) Regulations is as under:

Promoter:**Individual Promoter:**

1. Mr. Alok B. Jain
2. Mrs. Kapila A. Jain

i. Natural Persons who form part of our Promoter Group:

Relationship	Mr. Alok B. Jain	Mr. Keshrimal B. Jain
Father	Lt. Bhopalsingh Jain	Balesh Jain
Mother	Saroj Bala Jain	Prakashvati Jain
Spouse	Kapila Jain	Alok B. Jain
Brother	Ratan Kumar Jain Praveen Kumar Jain Rajiv Jain	Mohit Jain
Sister	Lt. Kumkum Jain Babita Jain	–
Son	Samyak Jain	Samyak Jain
Daughter	Akanksha Jain Akshita Jain	Akanksha Jain Akshita Jain
Spouse's Father	Balesh Jain	Lt. Bhopalsingh Jain
Spouse's Mother	Prakashvati Jain	Saroj Bala Jain
Spouse's Brother	Mohit Jain	Ratan Kumar Jain Praveen Kumar Jain Rajiv Jain
Spouse's Sister	--	Lt. Kumkum Jain Babita Jain

ii. Entities forming part of the Promoter Group**i. Companies:**

- Mercury Ventures Private Limited

ii. Hindu Undivided Family:

- Alok Bhopalsingh Jain HUF

iii. Partnership Firms : NIL**iv. Proprietary Concerns: NIL****v. Trusts: Nil****vi. All persons whose shareholding is aggregated for the purpose of disclosing in the Prospectus under the heading "shareholding of the promoter group": Nil****Relationship of Promoter with our Directors**

Mr. Alok B. Jain: Spouse of Mrs. Kapila A. Jain

Mrs. Kapila A. Jain: Spouse of Mr. Alok B. Jain

Changes in our Promoter

There is no change in our Promoters since Incorporation.

OUR GROUP ENTITIES

As on the date of the Prospectus, following entities that are promoted by our Promoters:

As on the date of the Prospectus, none of our Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years. Further, unless otherwise stated none of our Group Companies is a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 (“SICA”) and none of them is under winding up. Further no application has been made, in respect of any of the Group Companies, to the Registrar of Companies for striking off their names. Additionally, none of our Group Companies have become defunct in the five years preceding the filing of the Prospectus.

1. GROUP COMPANIES

A. Mercury Ventures Private Limited (MVPL)

Corporate Information

MVPL was incorporated on May 19, 2006 as a private limited company under the Companies Act, 1956 and registered with the Registrar of Companies, Gujarat. The CIN of MVPL is U29219GJ2006PTC048287. The registered office of MVPL is situated at C-1/38, II Nd Floor, Kailash Nagar Society, Sagrampura, Nr. Majura Gate, Surat - 395001. MVPL is engaged in the business of investments.

Capital Structure and Shareholding Pattern

The shareholding pattern of MVPL is as follows:

Sr. No.	Name of Shareholders	Number of Shares	Percentage of shareholding
1.	Akanksha Jain	73000	4.89%
2.	Alok Jain	248150	16.61%
3.	Kapila Jain	395000	26.45%
4.	Alok Jain (HUF)	309000	20.69%
5.	Samyak Jain	377500	25.27%
6.	Akshita Jain	91000	6.09%
	Total	1493650	100.00%

Board of Directors

The Board of Directors of MVPL consist of Mr. Alok Jain and Mrs. Kapila Jain

Financial Information

(₹ in lacs, except per share data)

Particulars	For the period ended March 31		
	2015	2014	2013
Authorised Capital	46.50	46.50	46.50
Equity Capital	46.50	46.50	46.50
Share Application Money Pending Allotment	0.00	0.00	0.00
Reserves and Surplus	-2.37	-2.38	-2.36
Misc. Expenditure to the extent not written off	0.00	0.00	0.00
Total Income	0.36	0.32	1.81
Profit / (Loss) after tax	0.01	-0.02	0.02
Earnings per share (Rs.)	0.00	0.00	0.00
Net Asset Value Per Share (Rs.)	9.49	9.49	9.49
Face Value	10.00	10.00	10.00

2. HUFs

Alok Bhopalsingh Jain HUF

Mr. Alok B. Jain is the karta of Alok Bhopalsingh Jain HUF.

Financial Information

(₹ in Lacs)

Particulars	For the period ended March 31		
	2015	2014	2013
Total Income	19.69	9.35	1.85
Profit	2.95	0.94	1.85

Companies / Firms from which the Promoters have disassociated themselves in last 3 (three) years

Our Promoters were also the promoter of Fusion Webtech India Private Limited and Sianath Diamond Private Limited. Our Promoters disassociated from the same in August 2015 to focus on the core business of trading in textiles.

Negative Net Worth

None of our Group Entities have negative net worth as on the date of the Prospectus.

Related Party Transactions and sales and purchases between our Company and Group Entities

For details of related party transactions entered into by our Company, please refer to “*Related Party Transactions*” on page 105 of the Prospectus.

Common Pursuits

There are no common pursuits.

Other Confirmations

Business interest of Group Entities in our Company

Except as disclosed under “*Related Party Transactions*”, on page 105 of the Prospectus and under the paragraph titled ‘*Other Agreements*’ under the chapter titled ‘*History and Certain Corporate Matters*’ beginning on page 86 of the Prospectus, none of our Group Entities have business interests in our Company.

Interest in sales and purchases

Except as disclosed under “*Related Party Transactions*” on page 105 of the Prospectus, there have been no sales and purchases between us and our Group Entities, when such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

Interest in promotion of Our Company

None of our Group Entities were interested in the promotion of our Company.

Interest in the property of Our Company

Our Group Entities do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of the Prospectus.

Interest in the transaction involving acquisition of land

None of our Group Entities were interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Further, our Group Entities have confirmed that they have not been detained as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or currently pending against them. None of our Group entities has been (i) prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

Litigation

For details relating to legal proceedings involving the Promoters and our Group Entities, please refer to the chapter titled '*Outstanding Litigations and Material Developments*' beginning on page 134 of the Prospectus.

Payment or Benefit to our Group Entities

Except as stated in the "*Related Party Transactions*" on page 105 of the Prospectus, there has been no payment of benefits to our Group Entities during the two years prior to the filing of the Prospectus.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the Annual 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.

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, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has no formal dividend policy. The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares. Our Company has not declared any dividends since incorporation.

SECTION V - FINANCIAL INFORMATION

FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

Auditor's Report

To,

The Board of Directors,
Ghushine Fintrade Ocean Limited
203, Trividh Chambers,
Ring Road, Surat - 395002,
Gujarat

Dear Sirs,

We have examined the Restated Summary Financial Statements and Other Financial Information of Ghushine Fintrade Ocean Limited (the 'Company') for each of the five financial years ended March 31, 2011, 2012, 2013, 2014 and 2015 and 9 months period ended as on December 31, 2015 based on the audited financial statements reviewed by us annexed to this report and initialled by us for identification. The said Restated Summary Financial Statements and Other Financial Information have been prepared for the purposes of inclusion in the 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) Section 26 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, 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') issued by the Securities and Exchange Board of India ('SEBI'); and the related clarifications issued by the Securities and Exchange Board of India as amended to date;
- (iii) The terms of our letter of engagement with the Company requesting us to carry out assignment in connection with the Offer Document being issued by the Company for its proposed IPO.
- (iv) In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of Ghushine Fintrade Ocean Limited, we, we, M/s. MNRD & Associates, 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.
- (v) Audit of the financial statements for the period ended December 31, 2015 and for the financial year ended March 31, 2015 has been conducted by M/s Jain Anil & Associates, Chartered Accountants. Further, financial statements for the period ended December 31, 2015 and for the financial year ended March 31, 2015 have been re-audited by us as required under the SEBI ICDR Regulations. This report, in so far as it relates to the amounts included for the financial years ended March 31, 2014, 2013, 2012 and 2011 is based on the audited financial statements of the Company which were audited by then Statutory Auditors and whose Auditors' report has been relied upon by us for the said periods.
- (vi) The Proposed public issue will be for a fresh issue of equity shares of Rs. 10 each, at the issue price of Rs. 10 per Equity Share (referred to as 'the issue').
- (vii) Financial Information of the Company

The Restated Summary financial Statements and Other Financial Information have been prepared by the Company and approved by the Board of Directors of the Company.

A. Restated Summary Financial Statements:

1. We have examined the attached ‘Summary financial Statement of Assets and Liabilities, As Restated’ (Annexure I) as at March 31, 2011, 2012, 2013, 2014 & 2015 and as at December 31, 2015 has been examined and the attached ‘Summary Statement of Profits and Losses, As Restated’ (Annexure II) and the attached ‘Summary Statement of Cash Flows, As Restated’ (Annexure III) for the years ended March 31, 2011, 2012, 2013, 2014 & 2015 and 9 months period ended December 31, 2015 which have been extracted by the management and approved by the board of directors. (Annexure I, II and III are collectively referred to in this report as the “Restated Summary Financial Statements”).
2. The Restated Summary Financial Statements are after making adjustments and regroupings as in our opinion were appropriate and more fully described in the ‘Statement of Significant Accounting Policies’ and ‘Notes to the Re-stated Financial Statements’ (Annexure IV) and (Annexure V) respectively.
3. In accordance with the requirements of section 26 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, As amended (hereinafter referred to as the “Act”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 and terms of our engagement agreed with the company, and based on our examination of the Restated Summary Statements, we confirm that:
 - a. The Restated summary Financial Statement - the restated summary statement of assets and liabilities, the restated summary statement of profit and loss, and the restated summary statement of cash flow (“summary statements”) of the company, for the year ended March 31, 2015, 2014, 2013, 2012 & 2011 and 9 months period ended on December 31, 2015 has been examined by us, as set out in annexure-I, II and III to this report read with and subject to the adjustment in respect of certain previous year audit qualifications as referred to at point no. 2, Annexure V - Notes to the restated Financial statements and other observations as given herein after, are after making material adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Notes to the financial statements (refer annexure- IV & V).
 - b. Based on and subject to our comments as above, we are of the opinion that restated financial information have been made after incorporating:
 - i. Adjustments if any, made for the changes in Accounting Policies and Estimates adopted by the Company with retrospective effect to reflect the significant accounting policies being adopted by company as on December 31, 2015 are explained in annexure V to this report.
 - ii. The “Restated Summary Financial Statements” have to be read in conjunction with the Significant Accounting Policies and Notes given in Annexure IV of this report.
 - iii. Amounts if any, relating to adjustments for previous years have been identified and adjusted in the statements in the year to which they relate;
 - iv. There are no extra-ordinary items that need to be disclosed separately in the Restated Summary financial Statements;

- v. There are no qualifications in auditor's reports for incorrect accounting policies that require Adjustment in the Restated Summary Statements except for the adjustment in respect of certain previous year audit qualifications as referred to at point no. 2, Annexure V - Notes to the restated financial statements.

Summary of significant accounting policies adopted by the Company and material adjustments carried out in the preparation of the Restated Summary Statements & the significant notes to thereto be enclosed as Annexure IV and Annexure V to this report.

B. Other Financial Information:

4. 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:

Annexure VI : Statement of Other Income, As Restated
Annexure VII : Statement of Accounting & Other Ratios, As Restated
Annexure VIII : Statement of Capitalization, As Restated
Annexure IX : Statement of Tax Shelter, As Restated
Annexure X : Statement of Long Term Borrowings, As Restated
Annexure XI : Statement of Short Term Borrowings, As Restated
Annexure XII : Statement of Principle Terms of Secured Loans and Assets Charged as Security.
Annexure XIII : Statement of Trade Receivables, As Restated
Annexure XIV : Statement of Loans and Advances, As Restated
Annexure XV : Statement of Related Parties & Transactions.
Annexure XVI : Statement of Dividends.
Annexure XVII : Statement of Investments.

5. In our opinion, the Restated Summary Financial Statements and the other Financial Information set forth in Annexure I to XVII 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 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.

6. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us or by any other firm of Chartered Accountants nor should this report be construed as new opinion on any of the financial statement referred to therein.
7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
8. 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.

As per our Report Attached

For MNRD & Associates

Chartered Accountants

Firm Registration Number: 126991W

Narayan B Toshniwal

Partner

Membership No: 048334

Place: Mumbai

Date: April 6, 2016

Annexure - I

Statement of Assets and Liabilities (As Restated)

(Rs. in Lacs)

Particulars	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Equity & Liabilities						
Shareholders Fund						
-Equity Share Capital	234.49	234.49	99.99	90.25	49.15	49.15
-Preference Share Capital	0.00	0.00	0.00	0.00	0.00	0.00
Total(a)	234.49	234.49	99.99	90.25	49.15	49.15
Reserves and surplus						
Share Premium	13.87	13.87	13.87	13.87	13.87	13.87
General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Capital Subsidy	0.00	0.00	0.00	0.00	0.00	0.00
P&L Account	58.54	(6.39)	(6.89)	(7.79)	(7.81)	(7.80)
Less: Revaluation Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Total(b)	72.41	7.48	6.98	6.08	6.06	6.07
Total (C) Total Shareholders Fund	306.90	241.97	106.97	96.33	55.21	55.22
Non Current Liabilities						
Long Term Borrowings	14.25	0.00	0.00	32.50	0.00	0.00
Long term provisions	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Tax Liability	0.00	0.00	0.00	0.00	0.00	0.00
Total Non Current Liabilities	14.25	0.00	0.00	32.50	0.00	0.00
Current Liabilities						
Short Term Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Trade Payables	234.52	0.00	0.00	0.00	0.00	0.00
Other Current Liabilities	0.00	0.32	0.00	0.00	0.00	0.00
Short Term Provisions	35.11	0.18	0.58	0.11	0.07	0.04
Total Current Liabilities	269.63	0.50	0.58	0.11	0.07	0.04
Total Equity & Liability	590.78	242.47	107.55	128.94	55.28	55.26
Non-Current Assets						
a) Fixed Assets						
Tangible Assets	1.29	0.24	0.30	0.37	0.48	0.69
Intangible Assets	0.00	0.00	0.00	0.00	0.00	0.00
Capital Work in Progress	0.00	0.00	0.00	0.00	0.00	0.00
Total Fixed Assets (a)	1.29	0.24	0.30	0.37	0.48	0.69
b) Non Current Investments	0.00	0.00	45.50	57.50	1.23	1.23
c) Long Term Loans and Advances	0.00	0.00	0.20	0.12	0.06	0.06
d) Other Non Current Assets	8.27	2.00	0.00	0.00	0.00	0.00
e) Deferred Tax Asset	0.00	0.00	0.00	0.00	0.00	0.00
Total Non Current Assets	9.56	2.24	46.00	57.99	1.77	1.98

Current assets						
Current Investments	0.00	0.00	0.00	0.00	0.00	0.00
Inventories	18.68	135.75	0.00	0.00	0.00	0.00
Trade Receivables	454.23	6.92	0.00	6.11	41.11	50.15
Cash and Cash Equivalents balances	9.96	8.71	0.76	3.59	4.90	2.00
Short Term Loans and advances	97.93	88.73	60.67	61.25	7.50	1.13
Other Current Assets	0.42	0.12	0.12	0.00	0.00	0.00
Total Current Assets	581.22	240.23	61.55	70.95	53.51	53.28
Total Assets	590.78	242.47	107.55	128.94	55.28	55.26

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

Annexure - II**Summary Statement of Profit and Loss, As Restated**

(Rs. in Lacs)

Particulars	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Income						
Operating Income	821.49	6.26	0.35	0.00	0.00	0.00
Other Income	11.26	5.06	5.72	0.26	1.35	0.00
Increase/ (Decrease) in Inventory	(117.07)	135.75				
Total Revenue	715.68	147.07	6.07	0.26	1.35	0.00
Expenditure						
Purchase of Stock in Trade	604.08	141.54	0.35	0.00	0.00	0.00
Employee Benefit Expenses	6.47	0.24	1.42	0.00	0.45	0.48
Other Operating and Administrative Expenses	5.33	4.26	3.14	0.12	0.70	1.11
Total (B)	615.88	146.04	4.91	0.12	1.15	1.59
Profit Before Interest, Depreciation and Tax	99.80	1.03	1.16	0.14	0.21	(1.59)
Depreciation	0.04	0.06	0.07	0.11	0.21	0.15
Profit Before Interest and Tax	99.76	0.97	1.09	0.03	(0.00)	(1.74)
Financial Charges	0.01	0.01	0.01	0.01	0.00	0.00
Profit before Taxation	99.75	0.96	1.08	0.02	(0.005)	(1.74)
Provision for Taxation	35.00	0.29	0.18	0.00	0.00	0.00
Provision for Deferred Tax	0.00	0.00	0.00	0.00	0.00	0.00
Total	35.00	0.29	0.18	0.00	0.00	0.00
Profit After Tax but Before Extra ordinary Items	64.75	0.67	0.90	0.02	(0.005)	(1.74)
Prior Period Provision for Tax	0.00	0.00	0.00	0.00	0.00	0.00
Net Profit after adjustments	64.75	0.67	0.90	0.02	(0.005)	(1.74)
Net Profit Transferred to Balance Sheet	64.75	0.67	0.90	0.02	(0.005)	(1.74)

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

Annexure - III

Summary Statement of Cash Flow, As Restated

(Rs. in Lacs)

PARTICULARS	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
A. CASH FLOW FROM OPERATING ACTIVITIES						
Profit Before Tax	99.75	0.96	1.08	0.02	(0.00)	(1.74)
<i>Adjusted for :</i>						
a. Depreciation	0.04	0.06	0.07	0.11	0.21	0.15
b. Interest Expenses	0.01	0.01	0.01	0.01	0.00	0.00
c. Other Adjustments	0.00	0.00	0.00	0.00	0.00	(0.32)
Operating profit before working capital changes	99.80	1.03	1.16	0.14	0.21	(1.91)
<i>Adjusted for :</i>						
a. Decrease / (Increase) in Inventories	117.07	(135.75)	0.00	0.00	0.00	0.00
b. Decrease / (Increase) in trade receivable	(447.31)	(6.92)	6.11	35.00	9.04	3.00
c. (Increase) / Decrease in short term loans and advances	(9.20)	(28.06)	0.58	(53.75)	(6.37)	(1.13)
d. (Increase) / Decrease in Other Current Assets	0.30	0.00	(0.12)	0.00	0.00	0.00
e. (Increase) / Decrease in Long term loans and advances	0.00	0.20	(0.08)	(0.06)	0.00	0.00
f. Increase / (Decrease) in Trade Payables	234.52	0.00	0.00	0.00	0.01	0.00
g. Increase / (Decrease) in short term provisions	34.93	(0.40)	0.47	0.04	0.03	0.04
h. Increase / (Decrease) in other current liabilities	(0.32)	0.32	0.00	0.00	0.00	0.00
i. Increase / (Decrease) in Long Term Provisions	0.00	0.00	0.00	0.00	0.00	0.00
Cash generated from operations	29.19	(169.58)	8.12	(18.63)	2.92	(0.00)
Income Tax	35.00	0.46	0.18	0.00	0.00	0.00
NET CASH GENERATED FROM OPERATION	(5.81)	(170.04)	7.94	(18.63)	2.92	(0.00)
B. CASH FLOW FROM INVESTING ACTIVITES						
a. Purchase of Fixed Assets	(0.91)	0.00	0.00	0.00	0.00	(0.21)
b. Sale of Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00
c. (Purchase) / Sale of non-current investment	0.00	45.50	12.00	(56.27)	0.00	0.00
d. Interest received	0.00	0.00	0.00	0.00	0.00	0.00
e. Dividend Income	0.00	0.00	0.00	0.00	0.00	0.00
f. (Increase) / Decrease in Other Non Current Assets	(6.27)	(2.00)	0.00	0.00	0.00	0.00
Net cash (used) in investing activities	(7.18)	43.50	12.00	(56.27)	0.00	(0.21)
C. CASH FLOW FROM FINANCING ACTIVITES						
a. Interest Paid	(0.01)	(0.01)	(0.01)	(0.01)	0.00	0.00
b. Proceeds from share issued	0.00	134.50	9.74	41.10	0.00	0.00
c. (Repayments) / proceeds of long term borrowings	14.25	0.00	(32.50)	32.50	0.00	0.00
d. (Repayments) / proceeds of short	0.00	0.00	0.00	0.00	0.00	0.00

term borrowings						
Net cash generated/(used) in financing activities	14.24	134.49	(22.77)	73.59	0.00	0.00
Net Increase / (Decrease) in cash and cash equivalents	1.25	7.95	(2.83)	(1.31)	2.92	(0.21)
Cash and cash equivalents at the beginning of the year	8.71	0.76	3.59	4.90	2.00	2.21
Cash and cash equivalents at the end of the year	9.96	8.71	0.76	3.59	4.90	2.00

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year.
- The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

Annexure - IV

SIGNIFICANT ACCOUNTING POLICIES

a) **General:**

- (i) These accounts are prepared on the historical basis and on the accounting principles of a going concern.
- (ii) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

b) **Revenue Recognition:**

- (i) The Company follows the Mercantile system of Accounting and recognizes income and expenditure on accrual basis.
- (ii) Revenue is not recognized on the grounds of prudence, until realized in respect of liquidated damages, delayed payments as recovery of the amounts are not certain.

c) **Fixed Assets:-**

Fixed Assets are stated at cost of acquisition and subsequent improvements thereto, inclusive of taxes, freight, and other incidental expenses thereto.

d) **Capital work-in-progress:**

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

e) **Depreciation and Amortization**

Depreciation on fixed assets is provided under Written down Value Method in F.Y 2013-14 and the rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates. In compliance with new Companies Act, 2013 depreciation is provided on the basis of the useful life of the asset as per Schedule II of the Companies Act, 2013 from the financial year 2014-15 onwards

Preliminary and Pre Operative Expenses are amortized over a period of 5 years.

f) **Investments:**

Investments are classified into current and long-term investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are stated at cost and provision for diminution is made if the decline in value is other than temporary in nature. Current investments are stated at lower of cost and fair value determined on the basis of each category of investments

Investments are stated at cost i.e. cost of acquisition, inclusive of expenses incidental to acquisition wherever applicable.

g) **Employee Benefits.**

It includes Gratuity and other retirement benefits: No provision for gratuity and retirement benefits have been made as no employee has put in qualifying period of service for entitlement of these benefits.

h) **Cash And Cash Equivalent**

Cash comprises cash on hand and deposits with banks. Cash equivalents are short-term balances (within original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

i) **Cash Flow Statement:**

Cash flows are reported using the Indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated. This is in accordance with the Accounting Standard -3 issued by the ICAI.

j) **Related Party Disclosures :**

The Company furnishes the details of Related Party Disclosures as required by **AS-18**.

k) **Taxes on Income**

Tax expense comprises both current and deferred taxes. The current charge for income taxes is calculated in accordance with the relevant tax regulations.

Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax asset arising from unabsorbed depreciation / carried forward losses under the tax laws, is recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available, against which the deferred tax assets can be realized.

l) **Earnings Per Share:**

The earnings considered in ascertaining the Earnings per Share comprise of Net Profit after Tax. The number of Shares used in computing Basic Earnings Per Share is the Weighted Average of shares outstanding during the year, as per **AS - 20**.

Annexure - V

NOTES TO RESTATED ACCOUNTS

1. Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the last five years.

2. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

3. The Company does not possess information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The

Micro small and Medium Enterprise Development Act 2006, cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made on the books of accounts.

4. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.
5. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, are subject to confirmation and reconciliation.
6. Prior period items have been adjusted in the year to which it relates.

Annexure - VI

Statement of Other Income

(Rs. in Lacs)

Particulars	As at					
	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Interest Received	11.26	5.06	4.97	0.00	0.00	0.00
Profit from Sale of Mutual Fund	0.00	0.00	0.36			
Misc Income	0.00	0.00	0.39	0.26	1.35	0.00
Total	11.26	5.06	5.72	0.26	1.35	0.00

Annexure - VII

Statement of Accounting and Other Ratios

(Rs. in Lacs)

Particulars	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Net Profit as restated (Rs. in Lacs)	64.75	0.67	0.90	0.02	0.00	-1.74
Net Worth (Rs. in Lacs)	302.40	239.97	106.97	96.33	55.21	55.22
Return on Net worth (%)	21.41%	0.28%	0.84%	0.02%	-0.01%	-3.15%
Equity Share at the end of year (in Nos.)	2,344,900	2,344,900	999,900	902,550	491,550	491,550
(Face Value Rs. 10)	10.00	10.00	10.00	10.00	10.00	10.00
Weighted No of Equity Shares	2,344,900	1,162,037	902,817	492,677	491,550	491,550
Basic & Diluted Earnings per Equity Share	2.76	0.06	0.10	0.00	0.00	(0.35)
Net Asset Value/Book Value per Equity share (Based on no of share at the end of year)	12.90	10.23	10.70	10.67	11.23	11.23

Note:-

Earnings per share (Rs.) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (Rs.) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

Annexure - VIII

Statement of Capitalization:

(Rs. In Lacs)

Particulars	Pre Issue	Post Issue*
	As at 31.12.2015	
Debt :		
Short term debt	0.00	0.00
Long term debt	14.25	14.25
Total Debt	14.25	14.25
Shareholders Funds		
Equity Share Capital	234.49	494.49
Reserves and Surplus	72.41	72.41
Less: Revaluation Reserves	0.00	0.00
Less: Misc. Expenditure	4.50	4.50
Total Shareholders' Funds	302.40	562.40
Long Term Debt/ Shareholders' Funds	0.05	0.03
Total Debt / Shareholders Fund	0.05	0.03

* Based on assumption that issue will be fully subscribed.

Annexure - IX

STATEMENT OF TAX SHELTERS

(Rs. In Lacs)

Particulars	As At					
	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Profit Before Tax as per books of accounts	99.75	0.96	1.08	0.02	0.00	-1.74
Tax rate						
-- Normal Tax rate	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
-- Minimum Alternative Tax rate	19.06%	19.06%	19.06%	19.06%	19.06%	18.54%
-- Short Term Capital Gain U/S 111(A)	0.00	0.00	0.00	0.00	0.00	0.00
Notional Tax at normal rates	30.82	0.30	0.33	0.01	(0.00)	(0.54)
Tax at Special Rate	0.00	0.00	0.00	0.00	0.00	0.00
Total Tax (A)	30.82	0.30	0.33	0.01	(0.00)	(0.54)
Permanent differences						
Other adjustments	0.00	0.00	0.00	0.00	0.00	0.00
Disallowances	0.00	0.00	0.00	0.00	0.00	0.00
Total (B)	0.00	0.00	0.00	0.00	0.00	0.00
Timing Differences						
Depreciation as per Books	0.04	0.06	0.07	0.11	0.21	0.15
Depreciation as per Income Tax	0.04	0.04	0.06	0.11	0.21	0.15
Difference between tax depreciation and book depreciation	(0.00)	0.02	0.01	0.00	0.00	0.00
Other adjustments	0.00	0.00	0.00	0.00	0.00	0.00
Foreign income included in the statement	0.00	0.00	0.00	0.00	0.00	0.00
Total (C)	(0.00)	0.02	0.01	0.00	0.00	0.00
Net Adjustments (B+C)	(0.00)	0.02	0.01	0.00	0.00	0.00
Tax expense/(savings) thereon (D)	(0.00)	0.00	0.00	0.00	0.00	0.00
Total Taxation (E = A+D)	30.82	0.30	0.34	0.01	(0.00)	(0.54)
Brought forward losses set off (Depreciation)	0.00	0.00	0.00	0.00	0.00	0.00
Tax effect on the above (F)	0.00	0.00	0.00	0.00	0.00	0.00
Net tax for the year/period (E+F)	30.82	0.30	0.34	0.01	(0.00)	(0.54)
MAT Credit Utilised	0.00	0.00	0.00	0.00	0.00	0.00
Tax Payable for the year	30.82	0.30	0.34	0.01	(0.00)	(0.54)
Tax payable as per MAT	19.01	0.18	0.21	0.00	(0.00)	(0.32)
Tax expense recognised	35.00	0.29	0.18	0.00	0.00	0.00

*Tax payable as per computation made for provision for tax.

Annexure - X

Statement of Long Term Borrowings, As Restated

(Rs. In Lacs)

Particulars	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Secured	0.00	0.00	0.00	11.00	0.00	0.00
Unsecured						
From Related Parties/ Shareholders						
Alok Jain	0.00	0.00	0.00	11.00	0.00	0.00
Alok Jain HUF	0.00	0.00	0.00	21.50	0.00	0.00
Kapila Jain	14.25	0.00	0.00	0.00	0.00	0.00
From Others	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total	14.25	0.00	0.00	32.50	0.00	0.00

Annexure - XI

Statement of Short Term Borrowings, As Restated

(Rs. In Lacs)

There are no outstanding unsecured or secured short term borrowings in the company during the periods covered under audit.

Annexure - XII

Statement of Principal Terms of Secured Loans and Assets Charged as Security

There are no secured loans in the company and none of the assets are charged as security.

Annexure - XIII

Statement of Trade Receivables, As Restated

(Rs. in Lacs)

Particulars	As at					
	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Debts due for the period exceeding 6 months	0.00	0.00	0.00	6.11	41.11	50.15
Other Debts	454.23	6.92	0.00	0.00	0.00	0.00
Total	454.23	6.92	0.00	6.11	41.11	50.15

Note: There are no related party under debtors.

Annexure - XIV

Statement of Loans & Advances (Assets), As Restated

(Rs. in Lacs)

Particulars	As at					
	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Long Term						
From Related Party	0.00	0.00	0.00	0.00	0.00	0.00
From Others						
Deposits	0.00	0.00	0.00	0.12	0.06	0.06
TDS Receivable	0.00	0.00	0.20	0.00	0.00	0.00
Total	0.00	0.00	0.20	0.12	0.06	0.06
<i>Short Term</i>						

Chetan Diamond	0.00	0.00	7.00	0.00	0.00	0.00
Jatin Yadav	0.16	0.16	0.16	0.00	0.00	0.00
Madanlal Khurana	15.51	15.51	14.23	0.00	0.00	0.00
Neel Enterprise	1.66	1.66	1.66	0.00	0.00	0.00
Saneesh Nandlal Khurana	0.00	21.58	19.62	0.00	0.00	0.00
Swati Sarees	0.00	18.00	18.00	0.00	0.00	0.00
Mitlesh Nandlal	0.00	19.12	0.00	0.00	0.00	0.00
Preeti Manish Khurana	0.00	12.70	0.00	0.00	0.00	0.00
Shivam Terine Private Limited	45.00	0.00	0.00	0.00	0.00	0.00
Hitkari Textile	5.00	0.00	0.00	0.00	0.00	0.00
Sanatan Fabric	17.00	0.00	0.00	0.00	0.00	0.00
Meenakshi Silk Mills Private Limited	13.60	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	61.25	7.50	1.13
Total	97.93	88.73	60.67	61.25	7.50	1.13

Annexure - XV

Related party disclosure in accordance with AS - 18

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Name of the Related Party	Relationship
Mr. Alok A. Jain	Promoter Director
Mrs. Kapila Jain	Promoter Director
Alok Jain HUF	Promoter Group
Master Samyak Jain	Promoter Group
Aakanksha Jain	Promoter Group
Akshita Jain	Promoter Group
Mercury Ventures Limited	Group Company

Transactions with Related Parties:

(Rs. In lacs)

Particulars	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
Unsecured Loans							
Borrowed							
Mr. Alok A. Jain	0.00	0.00	0.00	11.00	0.00	0.00	66.35
Alok Jain HUF	0.00	0.00	0.00	21.50	0.00	0.00	2.60
Mrs. Kapila Jain	110.00	0.00	0.00	0.00	0.00	0.00	0.00
Repaid							
Mr. Alok A. Jain	0.00	0.00	11.00	0.00	0.00	0.00	0.00
Alok Jain HUF	0.00	0.00	21.50	0.00	0.00	0.00	0.00
Mrs. Kapila Jain	95.75	0.00	0.00	0.00	0.00	0.00	0.00
Outstanding Unsecured Loans	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
Mr. Alok A. Jain	0.00	0.00	0.00	11.00	0.00	0.00	
Alok Jain HUF	0.00	0.00	0.00	21.50	0.00	0.00	
Mrs. Kapila Jain	14.25						

Investment In Group Company							
Mercury Ventures Limited	0.00	0.00	0.00	45.50	0.00	0.00	0.00
Sale of Investments							
Mr. Alok A. Jain	0.00	6.25	0.00	0.00	0.00	0.00	0.00
Mrs. Kapila Jain	0.00	9.50	0.00	0.00	0.00	0.00	0.00
Alok Jain HUF	0.00	5.00	0.00	0.00	0.00	0.00	0.00
Master Samyak Jain	0.00	15.25	0.00	0.00	0.00	0.00	0.00
Aakanksha Jain	0.00	3.50	0.00	0.00	0.00	0.00	0.00
Akshita Jain	0.00	6.00	0.00	0.00	0.00	0.00	0.00

Annexure - XVI

Statement of Dividend Paid

No Dividend Paid Till Date

Annexure - XVII

Statement of Investments

(Rs. In lacs)

Particulars	As at					
	31.12.15	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Pantafor Soft Limited	0.00	0.00	0.00	0.00	1.23	1.23
Mercury Ventures Limited	0.00	0.00	45.50	45.50	0.00	0.00
Investment In Mutual Funds	0.00	0.00	0.00	12.00	0.00	0.00
Total	0.00	0.00	45.50	57.50	1.23	1.23

Annexure - XVIII

Audit Qualification

There were no qualifications in the Auditors' Report for period covered under audit.

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

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Prospectus. You should also read the section entitled "Risk Factors" beginning on page 12, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources.

Business Overview

We are engaged in trading activities of various textile materials (semi-finished and finished products) in the textile market. Our Company is involved in trading of various textile products which are of high quality and also bulk trading. We are located in textile hub of Surat which give us an added advantage in terms of procurement.

We are engaged in the trading of following products:

- Grey Fabric
- Fabric for Suiting & Shirtings
- Sarees
- Dress Materials
- Quilting Fabric
- Fabric for home furnishings such as curtains

Our Company is engaged in trading of all kind of fabrics, including cotton, poly cotton, and all kind of synthetic fabrics. Our product range includes both finished and unfinished fabrics, offered in almost all widths ranging from 36" to 120". The company is now actively engaged in supplying fabrics to various corporates in textile sector.

Significant developments subsequent to the last financial year:

After the date of last financial year i.e. March 31, 2015, we have taken forward our trading business by adding various products in our trading portfolio.

Key factors affecting the results of operation:

Our Company's future results of operations could be affected potentially by the following factors:

Competition

Our Company faces significant competition from other companies operating in the markets in India in which we operates. Some of these firms have greater resources and/or a more widely recognised brand than we have, which may give them a competitive advantage. Our ability to grow revenues will depend on demand for our products and services in preference to those of its competitors.

Growth in the Indian economy

General economic conditions in India have a significant impact on our results of operations. The Indian economy has grown rapidly over the past decade and is expected to continue to grow in the future. We believes growth in the overall economy has driven, and will drive, the underlying demand for our products

Regulatory developments

Our Company is regulated by the Companies Act and some of its activities are subject to supervision and regulation by statutory and regulatory authorities. It is therefore subject to changes in Indian law, as well as to changes in regulation and government policies and accounting principles.

Discussion on Results of Operation:

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the 9 months period ended December 31, 2015.

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer *Significant Accounting Policies, “Annexure IV” beginning under Chapter titled “Auditors’ Report and Financial Information of our Company” beginning on page 111 of the Prospectus.*

RESULTS OF OUR OPERATION

For the 9 months period ended December 31, 2015

	(₹ Lacs)	
Particulars	For the period ended 30.09.15	% to Operating Income
Income		
Operating Income	821.49	
Other Income	11.26	
Increase/ Decrease in Inventory	(117.07)	
Total	715.68	
Purchase of Stock in Trade	604.08	73.53%
Employee Benefit Expenses	6.47	0.79%
Other Operating and Administrative Expenses	5.33	0.65%
Total Expenditure	615.88	74.97%
PBIDT	99.80	12.15%
Interest and Other Financial Charges	0.01	0.00%
Depreciation & Amortisation	0.04	0.00%
PBT	99.75	12.14%
Tax Expenses	35.00	4.26%
Profit After Tax as Restated	64.75	7.88%

Operating Income

We recorded fabric sales of ₹ 821.49 Lacs. Our operating income consists of sales of textile products including Fabric for Suiting & Shirtings, Sarees, Dress Materials, Quilting Fabric and Fabric for home furnishings such as curtains.

We had other income of ₹ 11.26 Lacs. There was decrease in inventory of ₹ 117.07 Lacs.

Operating Expenses

The total operating expenditure aggregated to ₹ 615.88 Lacs which was 74.97% of the total income.

Purchase of traded goods stood at ₹ 604.08 Lacs which was 98.08% of the total operating expenses and 73.53% of the total operating income.

Employee Benefit Expenses stood at ₹ 6.47 Lacs which was 1.05% of the total operating expenses and 0.79% of the total income.

Administrative and Other Expenses stood at ₹ 5.33 Lacs which was 0.87% of the total operating expenses and 0.65% of the total income.

Depreciation

We incurred Depreciation cost of ₹ 0.04 Lacs.

Interest and Financial Charges

Our financial charges for the 9 months period ended December 31, 2015 stood at ₹ 0.01 Lacs.

Profits

Our PBIDT stood at ₹ 99.80 Lacs for the 9 months period ended December 31, 2015 with the PBIDT margin of 12.15%. We recorded PBT of ₹ 99.75 Lacs and PBT margin stood at 12.14%. We recorded Net Profit of ₹ 64.75 Lacs. Our Net Profit Margin stood at 7.88%.

Results of Operations for the FY 2012, 2013, 2014 and 2015

We mainly commenced our trading operations in the 9 months period ended December 31, 2015. Our operating financial highlights for the FY 2012, 2013, 2014 and 2015 are as under:

Particulars	31.03.15	31.03.14	31.03.13	31.03.12
Income				
Operating Income	6.26	0.35	0.00	0.00
Other Income	5.06	5.72	0.26	1.35
Increase/ Decrease in Inventory	135.75			
Total Revenue	147.07	6.07	0.26	1.35
Total Expenditure	146.04	4.91	0.12	1.15
Profit Before Interest, Depreciation and Tax	1.03	1.16	0.14	0.21
Profit before Taxation	0.96	1.08	0.02	(0.005)
Profit After Tax	0.67	0.90	0.02	(0.005)

Since major business activity has commenced in the 9 months period ended December 31, 2015, there were no major revenues in FY 2012, 2013, 2014 and 2015. Hence no meaningful comparison is possible.

Related Party Transactions: For further information please refer “Related Party Transactions” beginning on page 105 of the Prospectus.

Financial Market Risks:

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

Interest Rate Risk:

Our Company is not exposed to interest rate risks as we don't have any borrowings as on date. Any future borrowings may increase our risk.

Effect of Inflation:

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:

1. Unusual or infrequent events or transactions

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled 'Risk Factors' beginning on page 12 of the Prospectus. To our knowledge, except as we have described in the Prospectus, there are no known factors which we expect to bring about significant economic changes.

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

Apart from the risks as disclosed under Section titled "Risk Factors" beginning on page 12 in the Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.

Our Company's future costs and revenues will be determined by demand/supply situation, government policies and prices quoted by service providers.

5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in revenues are by and large linked to increases in volume of business.

6. Total turnover of each major industry segment in which the issuer company operated.

For details on the total turnover of the industry please refer to Chapter titled "Industry Overview" beginning on page 74 of the Prospectus.

7. Status of any publicly announced new products or business segment.

Our Company has not announced any new product or business segment.

8. The extent to which business is seasonal.

Our Company's business is not seasonal in nature.

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

For the period ended September 30, 2015

Particulars	Sales	Purchase
Top 10 Customes/Suppliers	93.47%	88.97%
Top 5 Customes/Suppliers	96.89%	98.28%

10. Competitive conditions.

Competitive conditions are as described under the *Chapters titled “Industry Overview” and “Business Overview” beginning on pages 74 and 81, respectively of the Prospectus.*

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

- I. Litigations involving our Company: NIL**
- II. Litigations involving our Directors / Promoter: NIL**
- III. Litigations involving our Group Entities: NIL**
- IV. Other litigations involving any other entities which may have a material adverse effect on our Company**

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule XIII of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

- V. Potential Litigations**

There are no potential litigations against our Company, our Promoter, our Directors, our Subsidiary or our Group Entities that we are currently aware of or in connection with which, we have received notice.

- VI. Details of the past penalties imposed on our Company / Directors : Nil**

- VII. Amounts owed to small scale undertakings or any other creditors**

There are no outstanding dues above ₹ 1,00,000 to small scale undertaking(s) or any other creditors by our Company, for more than 30 days, except in the ordinary course of business.

- VIII. Material developments occurring after last balance sheet date, that is, December 31, 2015**

Except as disclosed in the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company*” beginning on page 129 of the Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in the Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or its ability to pay its material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of the Prospectus.

It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Regulations and Policies” beginning on page 85 of the Prospectus.

A. Corporate / General Authorisations

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/Regulation	Date of Issue	Valid upto
1.	Certificate of Incorporation in the name of ‘Pallavi Finstock Private Limited’	Registrar of Companies, Gujarat, Dadra & Nagar Haveli	04-25823 of 1995-96	Companies Act, 1956	May 10, 1995	Valid until cancelled
2.	Certificate of Incorporation in the name of ‘Pallavi Finstock Limited’	Registrar of Companies, Gujarat	U65910GJ1995P LC025823	Companies Act, 2013	July 14, 2015	Valid until cancelled
3.	Certificate of Incorporation pursuant to change of name to ‘Ghushine Fintrade Ocean Limited’	Registrar of Companies, Gujarat	U65910GJ1995P LC025823	Companies Act, 2013	August 4, 2015	Valid until cancelled

B. Issue Related Authorisations

- Our Board of Directors has, pursuant to a resolution passed at its meeting held on October 1, 2015, authorised the Issue subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 such other authorities as may be necessary.
- The shareholders of our Company have authorised the Issue, pursuant to a special resolution under Section 62(1)(c) of the Companies Act, 2013, passed at their EGM held on October 27, 2015.
- Our Company has obtained approval dated March 22, 2016 from the BSE.

C. Business Related Authorisations

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Validity
1.	Registration Certificate of Establishment	Surat Municipal Corporation	CZ/S/3/235045	October 22, 2016

D. Tax Related Authorisations

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Validity
1.	Permanent Account Number	Income Tax Department, GoI	AABCP3988Q	Valid until cancellation
2.	Tax Deduction Account Number	Income Tax Department, GoI	SRTP01625B	Valid until cancellation
3.	Professional Tax Registration	Profession Tax Officer, Surat Municipal Corporation	PEC03CZ00108635	Valid until cancellation

E. Approvals applied for but not yet received/Renewals made in the usual course of business: **NIL**

F. Material licenses / approvals for which our Company is yet to apply / Statutory Approvals/Licenses required for the proposed expansion: **NIL**

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on October 1, 2015, subject to the approval of shareholders of our Company through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013.

The shareholders of our Company have authorised the Issue by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the EGM of our Company held on October 27, 2015.

We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “Government and Other Approvals” beginning on page 135 of the Prospectus.

We have received approval from BSE *vide* their letter dated March 22, 2016 to use the name of BSE in the Prospectus for listing of our Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

Prohibition by SEBI

Our Company, Directors, Promoter, members of the Promoter Group and Group Entities, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which Promoter, Directors or persons in control of our Company were or are associated as Promoter, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Directors are associated with any entities which are engaged in securities market related business and are registered with SEBI for the same.

Prohibition by RBI or Governmental authority

Our Company, our Promoters or his relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been detained as willful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or are pending against them.

Our Directors have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no such proceedings are pending against our Company or them.

ELIGIBILITY FOR THIS ISSUE

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M)(1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue face value capital does not exceed ten Crore Rupees and we may hence 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 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to “General Information – Underwriting” on page 37 of the Prospectus.
- b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue. *For further details of the arrangement of market making please refer to the section titled “General Information – Details of the Market Making Arrangements for this Issue” on page 38 of the Prospectus.*

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

BSE ELIGIBILITY NORMS:

1. *Net Tangible assets of at least ₹3 crore as per the latest audited financial results*

Our Company has Net Tangible Assets of ₹ 3 crore as per the latest financial results. Our Net Tangible Assets for the period ended December 31, 2015 are disclosed as under:

Particulars	30-Sept-15
Non Current Assets	9.56
Intangible Assets	0.00
Current Assets, Loans & Advances	581.22
Less: Current Liabilities & provisions	269.63
Net Tangible Assets	321.15

2. *Net worth (excluding revaluation reserves) of at least ₹ 3 crore as per the latest audited financial results*

Our Company satisfies the above criteria. Our Net Worth as per the restated financial statements is as under:

(₹ lacs)

Particulars	31-Dec-15
Net Worth	302.40

3. *Track record of distributable profits in terms of sec. 205 of Companies Act, 1956 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the Net Worth shall be at least ₹3 Crores.*

Our Company has a track record of distributable profits in terms of sec. 205 of Companies Act, 1956 for at least two years out of immediately preceding three financial years.

Particulars	(₹ lacs)		
	31-Mar-15	31-Mar-14	31-Mar-13
Profit After Tax	0.67	0.90	0.02

4. *Other Requirements*

The post-issue paid up capital of the company shall be at least ₹3 crore.

Our Company currently has a paid up capital in excess of ₹ 3 crore, and the Post Issue Capital shall be ₹ 4.94 crores.

The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

Our Company has entered into tripartite agreements with CDSL and NSDL along with our Registrar for facilitating trading in dematerialized mode. Also the Equity Shares allotted through this Issue will be in dematerialized mode. Further 100% of the Promoter Shareholding is in demat form in compliance of the Regulation 31 (2) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

Companies shall mandatorily have a website.

Our Company has a live and operational website: www.ghushine.com

5. *Certificate from the applicant company / promoting companies stating the following:*

- a. *The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).*

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

- b. *There is no winding up petition against the company that has been accepted by a court or a liquidator has not been appointed.*

There is no winding up petition against our company that has been accepted by a court or a liquidator has not been appointed.

- c. *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.*

There has been no change in the promoters of our Company in the preceding one year from date of filing application to BSE for listing on SME segment.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN 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 THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, FIRST OVERSEAS CAPITAL LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE LEAD MANAGER, FIRST OVERSEAS CAPITAL LIMITED, ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FIRST OVERSEAS CAPITAL LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED APRIL 7, 2016 WHICH READS AS FOLLOWS:

WE, THE LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM 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 OFFER DOCUMENT PERTAINING TO THE SAID ISSUE.
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, 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 COMPANY, WE CONFIRM THAT:
 - a) THE OFFER DOCUMENT FILED WITH SEBI 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 SEBI, THE CENTRAL GOVERNMENT, AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - c) THE DISCLOSURES MADE IN THE OFFER DOCUMENT 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, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES 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 OFFER DOCUMENT ARE REGISTERED WITH SEBI 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 EQUITY SHARES AS PART OF THE PROMOTER' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE OFFER DOCUMENT.
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 EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE OFFER DOCUMENT.
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 AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. 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 COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. - *NOT APPLICABLE*
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY 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 OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE 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 OFFER DOCUMENT. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. - *NOTED FOR COMPLIANCE*
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE OFFER DOCUMENT THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE - NOT APPLICABLE, THE ALLOTMENT WILL BE MADE ONLY IN DEMAT FORM.
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 OFFER DOCUMENT:
 - (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
 - (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER' 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 OFFER DOCUMENT WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY FIRST OVERSEAS CAPITAL LIMITED, AS PER FORMAT SPECIFIED BY THE BOARD THROUGH CIRCULAR BEARING REFERENCE CIR/MIRSD/1/2012 DATED JANUARY 10, 2012.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER 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.
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 SUBREGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. - NOT APPLICABLE
6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 110[106P] AND 111[106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, HAVE BEEN MADE.

THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT (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 MANAGER, ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the Registrar of Companies, Gujarat situated at Ahmedabad.

Disclaimer Statement from our Company and the Lead Manager

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in the Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.aanchalisp.com, 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 Agreement for Issue Management entered into among the Lead Manager and our Company dated October 28, 2015, the Underwriting Agreement dated December 1, 2015 entered into among the Underwriters and our Company and the Market Making Agreement dated December 1, 2015 entered into among the Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available 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 centers, etc.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have

represented to our Company and 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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Price Information and the track record of the past Issues handled by the Lead Manager

For details regarding the price information and the track record of the past Issues handled by the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to 'Annexure A' to the Prospectus and the website of the Lead Manager at www.focl.in

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, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, Alternative Investment Fund, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 2,500 Lacs, pension fund with minimum corpus of ₹ 2,500 Lacs, National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and Insurance funds set up and managed by the Department of Posts, India, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company the Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer 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 Surat 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, except that the Prospectus has been filed with BSE for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby 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 no 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.

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.

Further, each applicant where required agrees that such applicant will not sell or transfer any

Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Disclaimer Clause of the BSE Limited

BSE Limited (“BSE”) has given *vide* its letter dated March 22, 2016, 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 SME platform. BSE has scrutinized this offer 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 in this Company may do so pursuant to independent inquiry, investigations and analysis and shall not have any claim against BSE whatsoever by reason of 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.

Filing

The Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulation 106(M)(3) of SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the Corporate Finance Department at their Office situated at: Unit No: 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station Opp. Nehru Bridge Ashram Road, Ahmedabad - 380 009. A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration with the RoC situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013.

Listing

The Equity Shares issued through the Prospectus are proposed to be listed on the SME platform of BSE Limited. In-principle approval for listing of the Equity Shares of our Company from BSE has been received *vide* its letter dated March 22, 2016. BSE will be the Designated Stock Exchange with which the basis of allotment will be finalized.

If the permissions to deal in and for an official quotation of the Equity Shares is not granted by BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and 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.

Impersonation

Attention of the 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 –

- (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 of not less than six months extending up to ten 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.

Consents

We have obtained consents in writing of our Directors, Company Secretary and Compliance Officer, the Lead Manager, the legal counsel to the Issue, the Bankers to our Company, the Registrar to the Issue. We will obtain consents in writing of the Market Maker(s), Refund Bank(s) and the Banker(s) to the Issue / Escrow Collection Bank(s) to act in their respective capacities. These consents will be filed along with a copy of the Prospectus with the RoC as required under Sections 60 and 60B of the Companies Act.

In accordance with the Companies Act and the SEBI Regulations Jain Anil & Associates, Chartered Accountants our statutory auditors have agreed to provide their respective written consents for inclusion of their name, report on financial statements and report relating to the possible general and special tax benefits, as applicable, accruing to our Company and its shareholders, in the Prospectus in the form and context in which they appear in the Prospectus.

Further, such consent and report will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Expert Opinion

Except for (a) Statutory Auditors’ reports on the restated financial statements; and (b) Statement of Tax Benefits by the statutory auditors (a copy of the said report and statement of tax benefits has been included in the Prospectus), we have not obtained any other expert opinions.

Issue Related Expenses

The expenses of the Issue include, among others, underwriting and Issue management fees, Market Making fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. The estimated issue expenses are as under:

Sr.	Particulars	(₹ in lacs)

No.		(₹ in Lacs)
1.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Advisors, Registrars, Bankers etc and other out of pocket expenses.	17.00
2.	Printing & Stationery, Postage Expenses and Marketing & Advertisement Expenses	5.00
3.	Regulatory fees and other expenses	3.00
Total		25.00

Details of Fees Payable

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Memorandum of Understanding dated October 28, 2015 executed between our Company and the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated October 28, 2015, a copy of which is available for inspection at our Registered Office.

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 by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

SCSBs will be entitled to a processing fee of ₹ 10 per valid ASBA Form for processing the ASBA Forms procured by the Syndicate, Brokers, sub-syndicate/agents, the Registered Brokers, RTAs or CDPs and submitted to the SCSBs.

Registered Brokers will be entitled to a commission of ₹ 10 per valid ASBA Form submitted to them and uploaded on the electronic bidding system of the Stock Exchanges.

The RTAs, CDPs and SCSBs (for the ASBA Forms directly processed by them) will be entitled to selling commission below:

- Portion for Retail Individual Applicants: 0.10% of the Amount Allotted*
- Other than retail applicants: 0.10% of the Amount Allotted*

* Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters.

Underwriting Commission, Brokerage and Selling Commission on Previous Issues

We have not made any previous public issues. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

Previous Rights and Public Issues during the Last Five Years

We have not made any previous rights and/or public issues during the last five years, and are an “Unlisted Issuer” 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 Shares otherwise than for Cash

Our Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage on Previous Issues

Since this is the initial public offer of the Equity Shares by our 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 our Equity Shares since our inception.

Particulars in regard to our Company and other listed companies under the same management within the meaning of Section 370 (1B) of the Companies Act which made any capital issue during the last three years:

None of our Group Entities, have made any capital issue during the last three years.

Performance vis-à-vis objects

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

None of the Group Entities has made public issue of equity shares during the period of ten years immediately preceding the date of filing draft offer document with the BSE.

Outstanding debentures, bonds, redeemable preference shares and other instruments issued by our Company

As on the date of the Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Option to Subscribe

- a. Investors will get the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.

Stock Market Data for our Equity Shares

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

Mechanism for Redressal of Investor Grievances

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch

or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Bidders.

Disposal of Investor Grievances by our Company

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicants shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Issue for the redressal of routine investor grievances will be 12 Working 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.

We have constituted the Stakeholders Relationship Committee of the Board. For further details, please refer to the chapter titled “*Our Management*” beginning on page 90 of the Prospectus.

Our Company has appointed Ms. Akriti Sharma as the Company Secretary and Compliance Officer and he may be contacted at the following address. :

Ms. Akriti Sharma
Ghushine Fintrade Ocean Limited
203, Trividh Chambers,
Rushabh Petrol Pump Lane,
Ring Road, Surat - 395002,
Gujarat
Tel: +91 261 2332122
Fax: +91 261 2332122
Email: ghushine95e@gmail.com
Website: www.ghushine.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

Note: Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Changes in Auditors during the last three financial years

During FY 2013 the statutory auditors of our Company were M/s Punjawat Pokharna & Hiran, Chartered Accountants. During FY 2014 we appointed SBR & Co., Chartered Accountants as our statutory auditors due to the preoccupation of the earlier auditors. During FY 2015 we appointed M/s Jain Anil & Associates as the auditors.

Capitalisation of Reserves or Profits

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 41 of the Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

Revaluation of assets

Our Company has not revalued its assets since incorporation.

SECTION VII - ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009 our Memorandum and Articles of Association, the terms of the Prospectus, Prospectus, 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 the 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 Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to the section titled “Main Provisions of Articles of Association” beginning on page 214 of the Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association.

Face Value and Issue Price per Share

The face value of the Equity Shares is ₹ 10 each and the Issue Price is ₹ 10 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “Basis for Issue Price” beginning on page 57 of the Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with SEBI ICDR Regulations

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall 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 subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company

under the Companies Act, the terms of the SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015 with the Stock Exchange(s) and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 214 of the Prospectus.

Minimum Application Value, Market Lot and Trading Lot

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 10,000 Equity Shares 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 Offer will be done in multiples of 10,000 Equity Share subject to a minimum allotment of 10,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 10,000 Equity Share subject to a minimum allotment of 10,000 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 15 days of closure of issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Surat.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first Applicant, along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, 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 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 the prescribed manner, 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 our Registered Office or to the registrar and transfer agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any person who becomes a nominee by

virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) 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.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

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

If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

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 15 days of closure of issue.

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.

Arrangements for Disposal of Odd Lots

The trading of the equity shares will happen in the minimum contract size of 10,000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. 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.

Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extant policy of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other

investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Shares and Promoter' minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 41 of the Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 214 of the Prospectus.

Option to receive Equity Shares in Dematerialized Form

Investors will get the allotment of specified securities in dematerialization form only. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.

Migration to Main Board

Our Company may migrate to the main board of BSE from the SME Platform on a later date subject to the following:

- a) 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 fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) 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, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform for a minimum period of three years from the date of listing of shares offered through the Prospectus. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please see "*General Information – Details of the Market Making Arrangements for this Issue*" beginning on page 38 of the Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

Issue Program:**Issue Period:**

ISSUE OPENS ON	MONDAY, APRIL 25, 2016
ISSUE CLOSSES ON	WEDNESDAY, APRIL 27, 2016

Applications and revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer, whose post issue face value capital is less than ten crore rupees can issue specified securities 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 an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 150 and 157 of the Prospectus.

Particulars	Net Issue to Public [^]	Market Maker reservation portion
Number of Equity Shares*	24,60,000 Equity Shares	1,40,000 Equity Shares
Percentage of Issue Size available for allocation	94.62% of the Issue Size	5.38% of the Issue Size
	49.75% of the Post Issue Paid up Capital	2.83% of the Post Issue Paid up Capital
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 10,000 Equity Shares and Further allotment in multiples of 10,000 Equity Shares each. For further details please refer to the section titled "Issue Procedure–Basis of Allotment" on page Error! Bookmark not defined. of the Prospectus.	Firm Allotment
Mode of Application	For QIB and NII Applicants the application must be made compulsorily through ASBA mode. Retail Individual Applicants may apply through the ASBA or the Physical Form.	Through ASBA mode
Minimum Application Size	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 10,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000 <u>For Retail Individuals:</u> 10,000 Equity Shares	1,40,000 Equity Shares
Maximum Application	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 10,000 Equity Shares such that the Application Size does not exceed 24,60,000 Equity Shares <u>For Retail Individuals:</u> 20,000 Equity Shares so that the Application Value does not exceed ₹ 2,00,000	1,40,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	10,000 Equity Shares	10,000 Equity Shares, However the Market Makers may

Particulars	Net Issue to Public [^]	Market Maker reservation portion
		accept odd lots if any in the market as required under the SEBI (ICDR Regulations).
Terms of payment	Entire Application Amount shall be payable at the time of submission of Application Form. In case of ASBA Applicants, the SCSBs shall be authorized to block such funds in the bank account of the Applicant that are specified in the ASBA Application Form.	

[^]50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below ₹ 2,00,000 and the balance 50 % of the shares are reserved for applications whose value is above ₹ 2,00,000.

Withdrawal of the Issue

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchange shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be 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 the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

Issue Programme

ISSUE OPENS ON	MONDAY, APRIL 25, 2016
ISSUE CLOSES ON	WEDNESDAY, APRIL 27, 2016

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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**”) 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 certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this 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 the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Prospectus.

PART A

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Application Collecting Intermediaries. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.

Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus.

Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. IR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors will compulsory apply through ASBA Mode.

The prescribed color of the Application Form for various categories is as follows:

Category	Color
Indian Public / NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. An Investor, intending to subscribe to this Issue, shall

submit a completed application form to any of the following Intermediaries (Collectively called “Designated Intermediaries”)

- i. An SCSB, with whom the bank account to be blocked, is maintained
- ii. A syndicate member (or sub-syndicate member)
- iii. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
- iv. A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:

After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.

For applications submitted by investors to intermediaries other than SCSBs:

After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, (Lead Manager to the Issue, Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE limited i.e. www.bseindia.com.

Who can apply?

In addition to the category of Applicants as set forth under “-General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- FPIs and sub-accounts registered with SEBI other than category III foreign portfolio investor.
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under Non Institutional Investor category
- Any other persons eligible to apply in this Offer under the laws, rules, regulations, guidelines and policies applicable to them.

Participation by Associates of LM

Except for the Underwriting Obligations, the Lead Manager shall not be allowed to subscribe to this Issue in any manner. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, where the allocation is on a proportionate basis.

Option to Subscribe in the Issue

- a. Investors will get the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application by Indian Public including eligible NRIs applying on Non Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and NOT in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

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.

Applications by eligible NRIs/ RFPI's on Repatriation Basis

Application Forms have been made available for eligible NRIs at our registered office. Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

As Per The Current Regulations, The Following Restrictions Are Applicable For Investments By FPIs.

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non - Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after Initial Public Offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b) Nothing contained in clause (a) shall apply to:
 - Any transactions in derivatives on a recognized stock exchange;
 - Short selling transactions in accordance with the framework specified by the Board;
 - Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - Any other transaction specified by the Board.
 - c) No transaction on the stock exchange shall be carried forward;
 - d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to;
 - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;

ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;

vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;

vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

viii. Any other transaction specified by Board.

e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.

4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

5. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority'

b) Such offshore derivatives instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly. Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Applications by Eligible NRIs/FII's on Repatriation Basis

Application Forms have been made available for Eligible NRIs at our registered Office.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. The Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of our post Issue issued capital. In respect of an FII investing in our equity shares on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.

In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. With the approval of the board and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of the Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of “Know Your Client” requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

In case of FII’s in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

Applications by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

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 LLP 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 IRDA, certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the LM, 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 Scheme) (5th Amendment) Regulations, 2010, as amended (the “IRDA Investment Regulations”), are broadly set forth below:

(a) Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

(c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

The above information is given for the benefit of the Applicants. The 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 the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE

(a) For Retail Individual Applicants

The Application must be for a 10,000 Equity Shares and in multiples of 10000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price 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 ₹ 200,000 and in multiples of 10,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, Non Institutional Applicants and QIB Applicants cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, 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.

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 or regulation or as specified in the Prospectus.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, 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, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, 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 their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of ₹ 25 crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserve 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 the Company and the LM may deem fit.

Information for the Applicants:

- a) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- b) The LM will circulate copies of the Prospectus along with the Application Form to potential investors.
- c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our registered office or from the corporate office of the LM.
- d) Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
- e) Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
- f) The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs 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.
- g) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs) , the relevant SCSB , shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

- h) Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
- i) Applications made in the Name of Minors and/or their nominees shall not be accepted.
- j) The Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.
- k) The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Method and Process of Applications

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization 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/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Terms of payment

Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. IR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors will compulsorily apply through ASBA Mode.

The entire Issue price of ₹ 10.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, 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 of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism

The applicants shall specify the bank account number in their 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 Non 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 instructions 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 finalization 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 by the ASBA Applicant, as the case may be.

Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in the public issue can only invest through ASBA Mode.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions 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) with respect to applications by Applicants, applications accepted and uploaded by any Designated 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 Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - (i) the applications accepted by any Designated Intermediaries
 - (ii) the applications uploaded by any Designated Intermediaries or
 - (iii) the applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bankers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:
 - Symbol
 - Intermediary Code
 - Location Code
 - Application No.
 - Category
 - PAN (of first applicant if more than one applicant)
 - DP ID
 - Client ID
 - No. of Equity Shares
 - Amount
7. With respect to applications by Applicants, at the time of registering such applications, the Designated 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 (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;

- Client Identification Number of the demat account of the Applicant;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
 9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
 10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
 11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
 12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that 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 of 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, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
 13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the 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 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.
 14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
 15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Allocation of Equity shares

- 1) The Issue is being made through the Fixed Price Process wherein 96,000 Equity Shares shall be reserved for Market Maker. 18,24,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on 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 Managers and the Stock Exchange.

3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, 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 applications at any stage.

5) Allotment status details shall be available on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and Filing of Prospectus with ROC

a) Our company has entered into an Underwriting Agreement dated December 1, 2015.

b) A copy of Prospectus will be filed with the RoC in terms of Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

Issuance of Allotment Advice

1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2) The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- 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 Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;

- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- 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 Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

Impersonation

Attention of the 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 –

- (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 of not less than six months extending up to ten 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.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within six working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- 1) Allotment of Equity Shares shall be made within 6 (six) days of the Issue Closing Date;
- 2) Our Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

- 1) That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within six working days of Issue Closing Date;
- 3) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer;
- 4) That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non listing, under subscription etc.; and

UTILIZATION OF ISSUE PROCEEDS

Our Board 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 utilised out of the issue referred to in subitem(1) shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilised under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilised; and
- 3) details of all unutilised monies out of the issue of specified securities referred to in sub-item (1) shall be disclosed under an appropriate separate head in the balance sheet of the issuer indicating the form in which such unutilised monies have been invested; and

- 4) Our Company shall comply with the requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 in relation to the disclosure and monitoring of the utilisation 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.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the LM reserves the right not to proceed with the Issue at anytime, including after the Issue Closing Date but before the Board meeting for Allotment, without assigning any reason. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, other than retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Agreement dated January 20, 2016 between NSDL, the Company and the Registrar to the Issue;
- (b) Agreement dated December 1, 2015 between CDSL, the Company and the Registrar to the Issue;

The Company's shares bear an ISIN No. INE009U01011

- An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis-à-vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchange having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

- The trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue 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 Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue 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.

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 Regulations. 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 Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, 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 (the “SEBI Regulations”).

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“RHP”)/ Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants 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 Regulations. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter alia* required to comply with the eligibility requirements in terms of Regulation 26/Regulation 27 of the SEBI Regulations. For details of

compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI Regulations, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the “**SCRR**”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues - Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI Regulations, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue Price cannot be lesser than the face value of the securities. Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

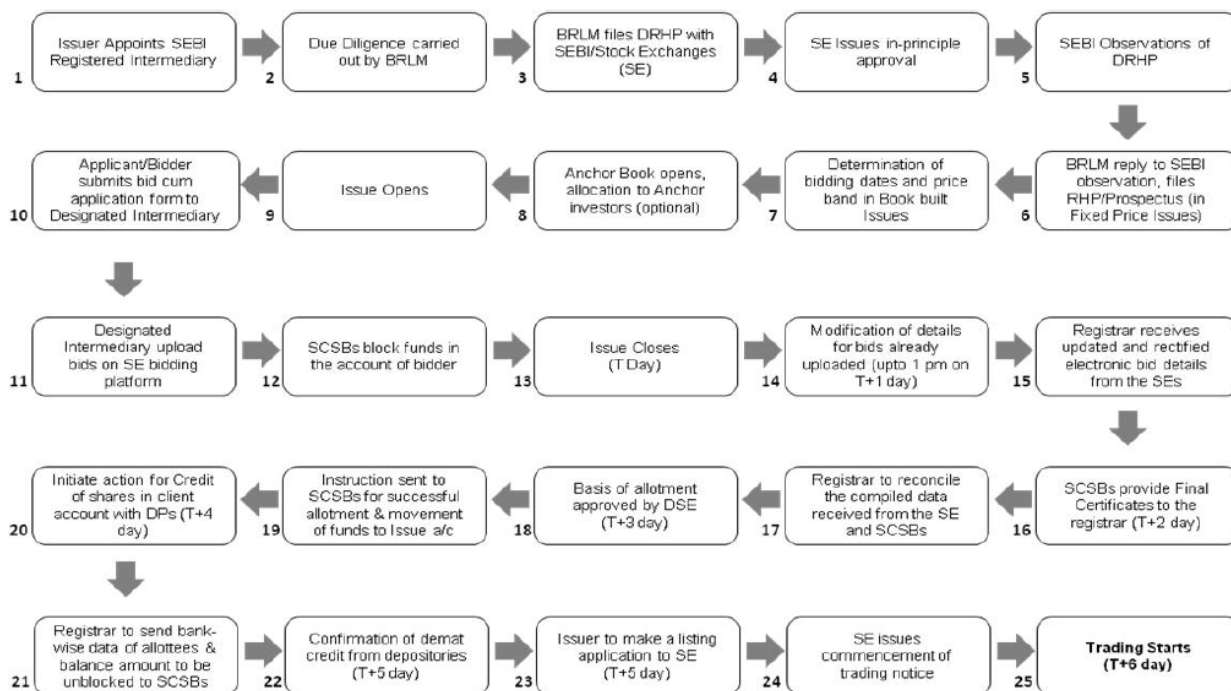
In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, and the 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 ASBA Form with any of the Designated Intermediaries.



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, such as NRIs, FIIs, FPIs, and FVCIs may not be allowed to Bid in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP/Prospectus for more details. Subject to the above, an illustrative list of Bidders 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 should specify that the Bid is being made in the name of the HUF in the Bid cum 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;
- Scientific and/or industrial research organisations authorised in India to invest in the 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 Regulations 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 Bidders (“NIBs”) 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 NIBs 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;
- Any other person eligible to Bid in the Issue, under the laws, rules, regulations, guidelines and
- policies applicable to them and under Indian laws; and
- 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) bearing the stamp of any of the Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the BRLMs, the Designated Intermediaries at the Bidding Centres and at the Registered Office. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Designated SCSB Branches of the SCSBs and at the Registered Office and Corporate Office of the Issuer. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their sub-accounts (other than sub-accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialised 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 FILLING THE BID CUM APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form 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 Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

Application Form - for residents

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details : CIN No :	FOR RESIDENT INDIANS, INCLUDING RESIDENT OIBs AND ELIGIBLE NRI APPLYING ON A NON-REPATRIATION BASIS																				
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN :																				
		Bid cum Application Form No. _____																				
SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCS/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER																				
		Mr. / Ms. _____																				
SUBBROKER'S / SUBAGENT'S STAMP & CODE	BROW BANK/CSB BRANCH STAMP & CODE	Address _____																				
		_____ Branch _____																				
BANK BRANCH SERIAL NO.	CSB 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																				
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> </tr> <tr> <td colspan="10">For NSDL, enter 3 digit DP ID followed by 4 digit Client ID / For CDSL, enter 16 digit Client ID</td> </tr> </table>												For NSDL, enter 3 digit DP ID followed by 4 digit Client ID / For CDSL, enter 16 digit Client ID										<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indian - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Fund - 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 3 digit DP ID followed by 4 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) <small>(Bid must be in multiples of Bid Lot as advertised)</small>	Price per Equity Share (%) "Cut-off" <small>(Price in multiples of ₹ 1/- only) (In Figures)</small>																				
	Bid Price	Retail Discount																				
	Net Price	"Cut-off" (Please tick)																				
Option 1		<input type="checkbox"/> Retail Individual Bidder																				
OR) Option 2		<input type="checkbox"/> Non-Institutional Bidder																				
OR) Option 3		<input type="checkbox"/> QIB																				
		<small>* HUF should apply only through Karta (Application by HUF would be treated as per with Individual)</small>																				
7. PAYMENT DETAILS		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>																				
Amount paid (₹ in figures) _____ (₹ in words) _____																						
ASBA Bank A/c No. _____																						
Bank Name & Branch _____																						
<small>TIME FOR BIDDERS OF JOINT APPLICANTS, IF ANY, TO SIGN, CONFIRM THAT TIME HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ANNEXURE PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTORS IN PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING AS GIVEN OVERLEAF. TIME (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT TIME HAVE READ THE INSTRUCTIONS FOR FILING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</small>																						
8A. SIGNATURE OF SOLE / FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) <small>(AS PER BANK RECORDS)</small>	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)																				
	1) _____ 2) _____ 3) _____																					
Date : _____																						
TEAR HERE																						
LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSIB DP/RTA																				
		Bid cum Application Form No. _____																				
DPID / CLID		PAN of Sole / First Bidder																				

Amount paid (₹ in figures) _____	Bank & Branch _____	Stamp & Signature of SCSB Branch																				
ASBA Bank A/c No. _____																						
Received from Mr./Ms. _____																						
Telephone / Mobile _____	Email _____																					
TEAR HERE																						
XYZ LIMITED - INITIAL PUBLIC ISSUE - R	Option 1 Option 2 Option 3	Stamp & Signature of Broker / SCSB / DP / RTA																				
No. of Equity Shares		Name of Sole / First Bidder																				
Bid Price		_____																				
Amount Paid (₹)		Acknowledgement Slip for Bidder																				
ASBA Bank A/c No. _____																						
Bank & Branch _____		Bid cum Application Form No. _____																				

Application Form - for non-residents

The format of Bid cum Application Form applicable for non-residents is yet to be notified by SEBI.

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCS, ETC APPLYING ON A REPATRIATION BASIS
	Address: _____ Contact Details: _____ CTN No: _____	
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN : _____
		Bid cum Application Form No. _____
SYNDICATE MEMBER'S STAMP & CODE		BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		BICROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.		SCSB SERIAL NO.
1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER		
Mr. / Ms. _____		
Address: _____		
Email: _____		
Tel. No (with STD code) / Mobile: _____		
2. PAN OF SOLE / FIRST BIDDER		

3. BIDDER'S DEPOSITARY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		4. INVESTOR STATUS
_____		<input type="checkbox"/> NR1 Non-Resident Indians (Repatriation basis)
For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID		<input type="checkbox"/> FI FI or Sub-account not a Corporate/Foreign Individual
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")		4. CATEGORY
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	<input type="checkbox"/> Retail Individual Bidder
	Price per Equity Share (₹) "Cut-off" Price in multiples of ₹ 1/- only) (In Figures)	<input type="checkbox"/> FVCI Foreign Venture Capital Investor
	Bid Price: _____	<input type="checkbox"/> FPI Foreign Portfolio Investors
	Retail Discount: _____	<input type="checkbox"/> OTH Others (Please Specify) _____
	Net Price: _____	
Option 1	_____	<input type="checkbox"/> Non-Institutional Bidder
(OR) Option 2	_____	<input type="checkbox"/> QIB
(OR) Option 3	_____	
7. PAYMENT DETAILS		PAYMENT OPTION: FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
Amount paid (₹ in figures) _____ (₹ in words) _____		
ASBA Bank A/c No. _____		
Bank Name & Branch _____		
<small>I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED AGREED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (GID) AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</small>		
8A. SIGNATURE OF SOLE / FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
_____	I/WE authorize the SCSB to draft such a/s are necessary to make the Application in the name: 1) _____ 2) _____ 3) _____ Date: _____	_____
TEAR HERE		
LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - NR	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 - NR	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder
No. of Equity Shares	_____	_____
Bid Price	_____	
Amount Paid (₹)	_____	
ASBA Bank A/c No.	_____	
Bank & Branch	_____	
		Acknowledgement Slip for Bidder
		Bid cum Application Form No. _____

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER /APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications (including refund intimations and letters notifying the unblocking of the bank accounts of ASBA Bidders) 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, 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:

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.

(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 dematerialised 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 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 GIR Number instead of PAN may be rejected.
- (e) Bids 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 DEPOSITORY ACCOUNT DETAILS

- a. Bidders should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**
- b. Bidders should ensure that the beneficiary account provided in the Bid cum Application Form is active.
- c. Bidders should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder as available on the records of the depositories. These Demographic Details may be used, among other things, for any other correspondence(s) related to an Issue.
- d. Bidders are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- a. Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- b. The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e)).
- c. **Cut-Off Price:** Retail Individual Bidders 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 NIBs and such Bids from QIBs and NIBs 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 RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ` 200,000.

In case the Bid Amount exceeds ` 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount, if any) then such Bid may be rejected if it is at the Cut-off Price.

For NRIs, a Bid Amount of up to ` 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ` 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

- (b) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds ` 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at 'Cut-off Price'.
- (c) RIB may revise or withdraw their Bids until Bid/Issue Closing Date. QIBs and NIB'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.
- (d) In case the Bid Amount reduces to ` 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (e) For Anchor Investors, if applicable, the Bid Amount shall be at least ` 100 million. 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 Portion 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.

- (f) A Bid cannot be submitted for more than the Issue size.

The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

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 highest 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

- i. 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.
- ii. 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.
- iii. Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

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.

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.

- iv. The following Bids may not be treated as multiple Bids:

Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category.

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.

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.

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 Regulations for the purpose

of Bidding, allocation and Allotment in the Issue are RIBs, NIBs 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 the SEBI Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.
- c. An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI Regulations. For details of any reservations made in the Issue, Bidders may refer to the RHP/Prospectus.
- d. The SEBI Regulations 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 may refer to the RHP/Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Bidder 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, such as NRIs, FIIs, FPIs, and FVCIs may not be allowed to Bid in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the RHP/Prospectus for more details.
- (c) Bidders 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 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 in the ASBA Account based on the authorisation provided in the ASBA Form. If the Discount is applicable in the Issue, the RIBs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- (b) Bidders who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.
- (c) All Bidders (except Anchor Investors) have to participate in the Issue only through the ASBA mechanism.
- (d) Bid Amount cannot be paid in cash, cheques, demand drafts, through money order or through postal order.

4.1.7.1 Additional Payment Instructions for NRIs

4.1.7.2 The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.3 Instructions for Anchor Investors:

- (a) Anchor Investors may submit their Bids through a Book Running Lead Manager.
- (b) Payments should be made either by RTGS, direct credit or NEFT.

4.1.6 The Escrow Collection Banks shall maintain the monies in the Escrow Accounts for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.4 Payment instructions for ASBA Bidders

Bidders may submit the ASBA Form either:

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

in physical mode to any Designated Intermediary.

Bidders must specify the Bank Account number in the ASBA Form. The ASBA Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, 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.

Bidders should ensure that the ASBA Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

Bidders should submit the Bid cum Application Form only at the Bidding Centres, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

Bidders bidding through a Designated Intermediary (other than a SCSB) should note that ASBA Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit ASBA Forms.

Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated SCSB Branch where the ASBA Account is maintained.

Upon receipt of the ASBA Form, the Designated SCSB Branch may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Form.

If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for

application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

If sufficient funds are not available in the ASBA Account, the Designated SCSB Branch may not accept such Bids and such bids are liable to be rejected.

Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated SCSB Branch to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

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 Accounts, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

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 Accounts 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 Accounts, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Accounts, and (iv) details of rejected 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 other than Anchor Investors to the Public Issue Accounts and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the ASBA 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.

Discount (if applicable)

The Discount is stated in absolute rupee terms.

Bidders applying under RIB category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

The Bidders entitled to the applicable Discount in the Issue may block the Bid Amount less Discount.

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 RIB category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders 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, 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 ASBA 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 ASBA Form.
- (d) Bidders/Applicants must note that Bid cum 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 Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.
- (b) All communications in connection with Bids/Applications made in the Issue may be addressed as under:
 - (i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, refund intimations, the Bidders should contact the Registrar to the Issue.
 - (ii) In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated SCSB Branch.
 - (iii) In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
 - (iv) In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker.
 - (v) In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
 - (vi) In case of Bids submitted to the CDP, the Bidders should contact the relevant DP.
 - (vii) Bidder may contact the Company Secretary and Compliance Officer or the 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 –
 - (i) full name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application;
 - (ii) name and address of the Designated Intermediary, where the Bid was submitted;
 - (iii) in case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked; or
 - (iv) in case of Bids by Anchor Investor, details of direct credit and name of the issuing bank thereof.

For further details, Bidder may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

During the Bid/Issue Period, any Bidder (other than QIBs and NIBs, 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.

RIB may revise their bids or withdraw their Bids on or before the Bid/Issue Closing Date.

Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

The Bidder can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same Designated Intermediary through which such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No.	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS																								
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN :																								
		Bid cum Application Form No.																								
SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER																								
		Mr./Ms. Address: Tel. No (with STD code) / Mobile: Email:																								
SUB-BROKER'S / SUB-AGENTS' STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER																								
																									
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL																								
		For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID																								
PLEASE CHANGE MY BID																										
4. FROM (AS PER LAST BID OR REVISION)																										
Bid Options	No. of Equity Shares Bid (Bid must be in multiples of Bid Lot as described) (In Figures)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)																								
	8 7 6 5 4 3 2 1	Bid Price Retail Discount Net Price "Cut-off" (Please tick)																								
Option 1																										
FOR Option 2																										
FOR Option 3																										
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 described) (In Figures)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)																								
	8 7 6 5 4 3 2 1	Bid Price Retail Discount Net Price "Cut-off" (Please tick)																								
Option 1																										
FOR Option 2																										
FOR Option 3																										
6. PAYMENT DETAILS																										
Additional Amount Paid (₹ in figures)		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>																								
		(₹ in words)																								
ASBA Bank A/c No.																										
Bank Name & Branch																										
<small>IN FILLING OF THIS APPLICATION, APPLICANTS SHALL BE DEEMED TO HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE ISSUE AND TO HAVE ACCEPTED AND AGREED TO THE SAME. APPLICANTS SHALL BE DEEMED TO HAVE ACCEPTED AND AGREED TO THE TERMS AND CONDITIONS OF THE ISSUE AND TO HAVE ACCEPTED AND AGREED TO THE SAME. APPLICANTS SHALL BE DEEMED TO HAVE ACCEPTED AND AGREED TO THE SAME. APPLICANTS SHALL BE DEEMED TO HAVE ACCEPTED AND AGREED TO THE SAME.</small>																										
7A. SIGNATURE OF SOLE / FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) <small>If We authorize the SCSB to debit your account to credit the Application in the line</small>	BROKER / SCSB / DP / RTA STAMP (As a record to be uploaded of Bid in Stock Exchange system)																								
TEAR HERE																										
LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA																								
		Bid cum Application Form No.																								
		PAN of Sole / First Bidder																								
DPID / CLID																										
Additional Amount Paid (₹)	Bank & Branch	Stamp & Signature of SCSB Branch																								
ASBA Bank A/c No.																										
Received from Mr./Ms.																										
Telephone / Mobile	Email																									
TEAR HERE																										
XYZ LIMITED - INITIAL PUBLIC ISSUE - R	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td></td> <td>Option 1</td> <td>Option 2</td> <td>Option 3</td> </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>Additional Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Additional Amount Paid (₹)				<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>Stamp & Signature of Broker / SCSB / DP / RTA</td> <td>Name of Sole / First Bidder</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td colspan="2" style="text-align:center;">Acknowledgement Slip for Bidder</td> </tr> <tr> <td>Bid cum Application Form No.</td> <td></td> </tr> </table>	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder			Acknowledgement Slip for Bidder		Bid cum Application Form No.	
	Option 1	Option 2	Option 3																							
No. of Equity Shares																										
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Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder																									
Acknowledgement Slip for Bidder																										
Bid cum Application Form No.																										

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders 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 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 has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIBs, Employees and Retail Individual Shareholders, such Bidders 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 RIBs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ` 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RIB 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 RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIBs 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 after the Allotment is finalised.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) All Bidders are required to authorise blocking of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. 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) Bidder 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 had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

- (c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder 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 to be blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.
- (d) In case of a downward revision in the Price Band, RIBs, 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 after the finalisation of the Basis of Allotment.

4.2.4 FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS

Bidders 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, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

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 the Issue 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 Managers 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 RIBs, 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:
 - (i) 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 and may be rejected.

- (ii) 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:
 - (i) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - (ii) 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.
 - (iii) Applications 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.

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

- (a) The categories of applicants identified as per the SEBI Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, individual applicants other than RIB'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 Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI Regulations 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 Bidders (other than Anchor Investors) are required to only make use of ASBA for applying in the Issue.
- (b) Bid Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

4.3.5.1 Payment instructions for Applicants:

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2 Unblocking of ASBA Account

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.3 Discount (if applicable)

Applicants should refer to instructions contained in paragraphs 4.1.7.3.

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.

4.4.1 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM

Bidders may submit completed Bid-cum-application form / Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	To the Book Running Lead Managers of the Syndicate at the locations mentioned in the Anchor Investor Application Form
ASBA Form	(a) To the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the CDP at the Designated CDP Location (b) To the Designated SCSB Branches

- (a) Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidder had placed the original Bid.
- (b) Upon submission of the Bid-cum-Application Form, the Bidder will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/ Applicant.
- (c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of the SEBI Regulations. 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 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 (excluding NIBs and QIBs) Bidding at Cut-off Price, the Bidders 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 are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- (a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/Issue Closing Date, Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries (i) are given till 1:00 pm on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period with respect to the Bidders other than the Bids received from the Retail Individual Bidders and (ii) shall submit the Bid cum Application Form and modification (at periodic intervals) on a day to day basis during the Bid/Issue Period with respect to Bids received from Retail Individual Bidders 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 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 Book Running Lead Managers 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) RIBs can withdraw their Bids until Bid/Issue Closing Date. In case a RIB 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 NIBs 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
 - (i) the Bids accepted by the Designated Intermediaries,
 - (ii) the Bids uploaded by the Designated Intermediaries,
 - (iii) 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) the 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, NIBs & RIBs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms 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 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 by OCBs;
- (c) In case of partnership firms, Bid 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 under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum Application Form;
- (e) Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (f) Bids by any person outside India;
- (g) PAN not mentioned in the Bid cum Application Form except for Bids 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;
- (h) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (i) Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- (j) Bids at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (k) Bids at Cut-off Price by NIBs and QIBs;
- (l) The amounts mentioned in the Bid cum Application Form do not tally with the amount payable for the value of the Equity Shares Bid for;
- (m) Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;

- (n) Submission of more than five Bid cum Application Forms through a single ASBA Account;
- (o) Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- (p) Multiple Bids as defined in this GID and the RHP/Prospectus;
- (q) Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form at the time of blocking such Bid Amount in the bank account;
- (r) In case of Anchor Investors, Bids where sufficient funds are not available in Anchor Investor Escrow Accounts as per final certificate from the Escrow Collection Banks;
- (s) Where no confirmation is received from SCSB for blocking of funds;
- (t) Bids by Bidders (other than Anchor Investors) not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non-Institutional Bidders accompanied with cheque(s) or demand draft(s);
- (u) Bids submitted to a BRLM at locations other than the Specified Cities and Bid cum 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;
- (v) Bids not uploaded on in the Stock Exchanges bidding system; and
- (w) Bids 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.

5.6 BASIS OF ALLOCATION

- (a) The SEBI Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder may refer to the RHP / Prospectus.
- (b) Under-subscription in any category (except QIB Category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Managers and the Designated Stock Exchange and in accordance with the SEBI Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- (c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.
- (d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the 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 Book Running Lead Managers, may finalise the Issue Price at or below such Cut- Off Price, i.e., at or below ₹ 22.00. All Bids at or above the Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the RHP 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. RIBs, NIBs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated SCSB 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 offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; 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 may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP/Prospectus. No Retail Individual Bidder will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIBs

Bids received from the RIBs 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 RIBs 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 RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot (“**Maximum RIB Allotees**”). The Allotment to the RIBs will then be made in the following manner:

- (a) In the event the number of RIBs who have submitted valid Bids in the Issue is equal to or less than Maximum RIB Allotees, (i) all such RIBs 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 RIBs 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).

In the event the number of RIBs who have submitted valid Bids in the Issue is more than Maximum RIB Allotees, the RIBs (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 NIBs

Bids received from NIBs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs 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 NIBs 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 may refer to the SEBI Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.3(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 and the Selling Shareholder in consultation with the BRLMs, subject to compliance with the following requirements:
 - (i) not more than 60% of the QIB Category will be allocated to Anchor Investors;
 - (ii) 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
 - (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ` 100 million;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ` 100 million and up to ` 2,500 million subject to minimum Allotment of ` 50 million per such Anchor Investor; and
 - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ` 2,500 million, and an additional 10 Anchor Investors for every additional ` 2,500 million or part thereof, subject to minimum Allotment of ` 50 million 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), NIBs 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 Regulations.

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

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 Anchor Investor Escrow Accounts, as per the terms of the Escrow Agreement, into the Public Issue Accounts with the Bankers to the Issue. The balance amount after transfer to the Public Issue Accounts shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Accounts.

- (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 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 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 Equity Shares to the successful Bidders Depository Account will be completed within six Working Days of the Bid/Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall 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 Depositories, and within six Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ` 5 lakhs but which may extend to ` 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ` 50,000 but which may extend to ` 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund,

without interest, all moneys received from Bidders.

If such money is not refunded to the Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any 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 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 involving a Fresh Issue and the Offer for Sale, 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 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 from the Bid/Issue Closing Date, 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 Regulations comes for an Issue under Regulation 26(2) of SEBI Regulations 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 ASBA Bids:** 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 and also for any excess amount blocked on Bidding.
- (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 Anchor Investors' 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 Collection 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 IFS 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 IFS 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; and
- (c) **RTGS** – Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI whose refund amount exceeds ₹ 0.2 million, shall be eligible to receive refund from through RTGS provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding Indian Financial System Code ("IFSC"). Charges, if any, levied by the Escrow Collection Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor.

Please note that refunds through the above mentioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Collection Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if the refund instructions have not been given to the clearing system in the prescribed manner. Instructions for unblocking of funds in the ASBA Account are not dispatched within 15 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 within the timelines prescribed under applicable law.

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
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allotment/ Allotted	The allotment of Equity Shares pursuant to the Fresh Issue and/or transfer of Equity Shares pursuant to the Offer for Sale to successful Bidders
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 Exchange
Allottee	An Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI Regulations and the Red Herring Prospectus
Anchor Investor	The form used by an Anchor Investor to make a Bid in the Anchor Investor
Application Form	Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Escrow Accounts	Account opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NECS/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the Book Running Lead Managers, 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 Supported by Amount/ASBA	An application, whether physical or electronic, used by Bidders, 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	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bidder	All Bidders except Anchor Investors
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Anchor Investor Escrow Accounts for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	Basis on which the Equity Shares may be Allotted to successful Bidders under the Issue

Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors pursuant to submission of the Anchor Investor Application Forms, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The Anchor Investor Application Form and the ASBA Form, or either such form, as the context requires
Bid /Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date
Bid/Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective ASBA Bidders can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI Regulations. Bidders may refer to the RHP/Prospectus for the Bid/ Issue Period
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder should be construed to mean an Bidder
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under the SEBI Regulations, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
BRLM(s)/ Book Running Lead Manager(s)/Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
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 as per the list available on the websites of BSE and NSE
Cut-off Price		Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, 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 including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details
Designated Branches	SCSB	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Locations	CDP	Such locations of the CDPs where Bidders can submit the ASBA Forms The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date		Date on which funds are transferred by the Escrow Collection Banks from the Anchor Investor Escrow Accounts and instructions are given to the SCSBs to unblock the ASBA Accounts and transfer the amounts blocked by the SCSBs from the ASBA Accounts, as the case may be, to the Public Issue Accounts or the Refund Account, as appropriate, in terms of the Red Herring Prospectus and the aforesaid transfer and instructions shall be issued only after the finalisation of Basis of Allotment in consultation with the Designated Stock Exchange
Designated Intermediaries		Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the ASBA Bidders, in relation to the Issue
Designated Locations	RTA	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Exchange	Stock	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount		Discount to the Issue Price that may be provided to Bidders in accordance with the SEBI Regulations.
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 the SEBI Regulations 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 may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder	The Bidder 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 the SEBI Regulations, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to the 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 in consultation with the Book Running Lead Manager(s)
Maximum RIB Allottees	The maximum number of RIBs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque

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Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Bidders or NIBs	All Bidders, 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 Issue being such number of Equity Shares available for allocation to NIBs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs, FIIs including sub accounts of FIIs registered with SEBI 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 for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholders
Other Investors	Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than retail individual bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price

Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Accounts	Bank accounts opened under Section 40(3) of the Companies Act, 2013, to receive monies from the Anchor Investor Escrow Accounts and the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under the SEBI Regulations
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	Account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
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 Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Bidders as provided under the SEBI Regulations
Retail Individual Bidders/ RIBs	Bidders who apply or bid for a value of not more than ` 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
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 Issue being such number of Equity Shares available for allocation to RIBs which shall not be less than the minimum Bid Lot, subject to availability in RIB 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 Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	“Working Day” means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, “Working Days” shall mean all days, excluding Saturdays, Sundays and public holidays, on which the commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated primarily by the FEMA and the policy prescribed by the Department of Industrial Policy and Promotion, Government of India through Consolidated FDI Policy Circular of 2014 with effect from April 17, 2014 (“**FDI Policy**”). While the FDI Policy 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 FDI 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.

In terms of the Consolidated FDI policy (effective from April 17, 2014), issued by the Department of Industrial Policy and Promotion, 100% foreign direct investment in the Company is permitted.

Subscription by foreign investors (NRIs/FIIs)

FIIs are permitted to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the 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 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 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.

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 the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule II of the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that the each provision herein below is numbered as per the corresponding article number in the Articles of Association. Certain defined terms used in the Articles of Association are set forth below. All other defined terms used in this section have the meaning given to them in the Articles of Association.

The Authorised capital of our Company is ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each.

SHARE CAPITAL

4.
 - a) The Authorized Share Capital of the Company is Rs.50,000,000/- (Rupees Five Crore Only) divided into 5,000,000/- (fifty Lakh) Equity Shares of Rs.10/- (Rupees Ten Only) each with the rights, privileges and conditions attaching hereto as are provided by the Articles of Association of the Company for the time being with power to increase or reduce the capital and to divide and sub-divide the shares into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013, or as provided by the Articles of Association of the Company for the time being. The rights of the Preference Shares shall be determined at the time of issue thereof.
 - b) The Minimum Paid Up Capital of the Company shall be Rs.5, 00,000/- (Rupees Five Lac) Only
5. The Company shall be entitled to issue Preference Shares which are at the option of the Company liable to be redeemed, and if any redeemable preference shares are issued, the statutory provisions of the Act shall be complied with and they shall be redeemed in any of the modes permitted by the Act and subject to the conditions prescribed by the Act.
6. The shares in the Capital of the Company for the time being shall be under the control of the Directors who may allot or otherwise dispose off the same or any of them to such persons in such proportions and on such terms and conditions and either at the premium or at par or at such time as they may from time to time think fit .
7.
 - (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, –
 - (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
 - (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
8.
 - (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
 - (ii) The provisions of Articles (7) and (8) shall *mutatis mutandis* apply to debentures of the

company.

9. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

10. (i) The company may exercise the powers of paying commission conferred by sub section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
(ii) The rate or amount of commission must not exceed the rate or amount prescribed in rules made under sub-section(6) of section 40.
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

11. (i) If at any time the share capital is divided into different classes of shares, the Rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not

the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

12. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

13. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

14. (i) The company shall have a first and paramount lien—
(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company: Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

15. The company may sell, in such manner as the Board thinks fit, any shares on which the

company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

16. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
17. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

18. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or repayable at less than one month from the date fixed for the payment of the last preceding call.
(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
(iii) A call may be revoked or postponed at the discretion of the Board.
19. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
20. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
21. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
22. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had

become payable by virtue of a call duly made and notified.

5 The Board –

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent.

per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER AND TRANSMISSION

24. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
25. The Board may, subject to the right of appeal conferred by section 58 decline to register –
(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
(b) any transfer of shares on which the company has a lien.
26. The Board may decline to recognise any instrument of transfer unless –
(a) the instrument of transfer is in the form as prescribed in rules made under subsection (1) of section 56;
(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
(c) the instrument of transfer is in respect of only one class of shares.
27. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
28. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
29. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –
(a) to be registered himself as holder of the share; or
(b) to make such transfer of the share as the deceased or insolvent member could have made.
(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

30. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
31. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

32. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
33. The notice aforesaid shall –
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
35. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
36. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
36. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
37. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date

stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

38. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

40. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

41. Subject to the provisions of section 61, the company may, by ordinary resolution, – (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

41. Where shares are converted into stock, –

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at

meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

42. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, –

(a) its share capital;

(b) any capital redemption reserve account; or (c) any share premium account.

CAPITALISATION OF PROFITS

- 6 (i) The company in general meeting may, upon the recommendation of the Board, resolve –
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards –
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
 - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
 - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
44. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall – (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
- (b) generally do all acts and things required to give effect thereto. (ii) The Board shall have power –
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

45. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

46. All general meetings other than annual general meeting shall be called extraordinary general meeting.
47. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting. (ii) If at any time directors capable of acting who are sufficient in number to form a

quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

48. (i) No business shall be transacted at any general meeting unless a quorum of 2 members is present at the time when the meeting proceeds to business.
(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
49. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
50. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
51. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

52. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

53. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
(a) on a show of hands, every member present in person shall have one vote; and (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
54. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
55. A member of unsound mind, or in respect of whom an order has been made by any

court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

56. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
57. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
58. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

59. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
61. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
62. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

DIRECTORS

62. Subject to the provisions of Section 149 of the Companies Act, 2013 unless and until the Company in General Meeting shall otherwise determine the number of Directors shall not be less than three nor more than Fifteen including the Alternate Director/s, Mortgage Directors, ex-officio, Nominee Director, Special Directors, if any. The following shall be the First Directors of the Company:
 1. **MR. ALOK JAIN**
 2. **MR. PRAHLADSINGH RATHOD**
 3. **MRS. KAPILA JAIN**
64. The Directors need not hold any qualification shares.
65. Mr.Alok Jain named as the First Director, shall not be liable to retire by rotation and Mr. Phaladsingh Rathod and Mrs.Kapila Jain, also named as the First Director ,shall be liable to retire by rotation.

66. Every Director shall be paid out of the funds of the Company by way of remuneration for his services, the amount as the Board may determine for each meeting of the Board or Committee thereof attended by him.
67. If any Director being willing shall be called upon to render any extra service to the Company, the Board may arrange with such Director for Special remuneration for such services or exertions either by way of daily allowance or payment of a lump sum of money otherwise as they may think fit.
68. The remuneration of the director shall, in so far as it consists of montly payment be deemed to accrue from day to day.
69. 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.
70. The Board may pay all expenses incurred in getting up and registering the company.
71. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.
72. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
73. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
74. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

74. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
75. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

76. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
77. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting
78. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
79. (i) A committee may elect a Chairperson of its meetings.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
80. (i) A committee may meet and adjourn as it thinks fit.
(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
81. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
82. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL

OFFICER

83. Subject to the provisions of the Act, –
(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
84. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial

officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

SEAL

85. (i) The Board shall provide for the safe custody of the seal.
(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

86. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
87. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
89. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
90. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
90. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
91. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
92. Any one of two or more joint holders of a share may give effective receipts for any

dividends, bonuses or other monies payable in respect of such share.

93. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
94. No dividend shall bear interest against the company.

ACCOUNTS

95. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

96. Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

97. 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 IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 203, Trividh Chambers, Rushabh Petrol Pump Lane, Ring Road, Surat - 395002, Gujarat, Maharashtra, from date of filing the Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Memorandum of understanding dated October 28, 2015 between our Company and the Lead Manager.
2. Memorandum of Understanding dated October 28, 2015, between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated December 1, 2015 between our Company and the Lead Manager.
4. Market Making Agreement dated December 1, 2015 between our Company, Lead Manager and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated January 20, 2016.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated December 11, 2015.
7. Escrow Agreement dated April 7, 2016 between our Company, the Lead Manager, Escrow Collection Bank and the Registrar to the Issue.

Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated October 1, 2015 authorizing the Issue.
3. Special Resolution of the shareholders passed at the Extraordinary General Meeting dated October 27, 2015 authorizing the Issue.
4. Statement of Tax Benefits dated November 2, 2015, issued by our Statutory Auditors, Jain Anil & Associates, Chartered Accountants.
5. Report of the Peer Review Auditors, MNRD & Associates, Chartered Accountants dated April 6, 2016, on the Restated Financial Statements for the 9 months period ended December 31, 2015 and financial years ended March 31, 2015, 2014, 2013, 2012 and 2011 of our Company.
6. Copy of Certificate from the Statutory Auditor, Jain Anil & Associates, Chartered Accountants dated April 6, 2016, regarding the source and deployment of funds as on March 31, 2016.

7. Copy of Audited Financials for the period ended December 31, 2015 and financial years ended March 31, 2015, 2014, 2013, 2012 and 2011 of our Company.
8. Consents of Directors, Company Secretary and Compliance Officer, CFO, Statutory Auditors, Peer Review Auditors, Legal Advisor to the Issue, Bankers to our Company, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue/Escrow Collection Banks, Refund Banker to the Issue, to act in their respective capacities.
9. Initial listing applications dated November 6, 2015 filed with the BSE.
10. Copy of approval from BSE *vide* letter dated March 22, 2016 to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.
11. Due Diligence Certificate dated November 2, 2015 from the Lead Manager to BSE.
12. Due Diligence Certificate dated April 7, 2016 from the Lead Manager to SEBI.
13. Resolution passed at the meeting of the Board of Directors dated October 12, 2015 for fixing the term of appointment of our Managing Director, Mr. Alok K. Jain Jain.

Any of the contracts or documents mentioned in the 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, with previous reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the undersigned, hereby certify that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013, and the guidelines issued by the Government of India or the guidelines and regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, 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, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made or regulations or guidelines issued there under, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by all the Directors of Ghushine Fintrade Ocean Limited

Name and designation	Signature
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Mr. Alok B. Jain
Managing Director

Mrs. Kapila A. Jain
Director

Ms. Bhavini Lankapati Jagdish
Independent Director

Mrs. Sheela Somnath Kadechkar
Independent Director

Mr. Ketan Ishvarlal Parekh
Independent Director

Signed by the –Chief Financial Officer

**Signed by the – Company Secretary and
Compliance Officer**

Pavan Jain

Akriti Sharma

Place: Surat
Date: April 9, 2016